

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.



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

**Monday, November 14, 2022 at 5:00 p.m. | Virtual Meeting**

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

Join the meeting at this link:

<https://mpwmd-net.zoom.us/j/89689567233?pwd=Y1czN29DekhS3kvL0ttTmNXVGdNQOT09>

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

Webinar ID: 896 8956 7233

Passcode: 11142022

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.

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 Thursday, November 10, 2022

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

**CALL TO ORDER / ROLL CALL**

**ADDITIONS AND CORRECTIONS ON THE CLOSED SESSION AGENDA BY DISTRICT**

**COUNSEL** – *District Counsel will announce agenda corrections and proposed additions, which may be acted on by the Directors as provided in Sections 54954.2 of the California Government Code.*

**Board of Directors**

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

**General Manager**

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G, Monterey, California on Thursday, November 10, 2022. After staff reports have been posted and distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be posted on the District website. Documents distributed on the afternoon of the meeting will be available upon request, and posted to the web within five days of adjournment of the meeting. The next scheduled meeting of the MPWMD Board of Directors will be on Monday, December 12, 2022.

**PUBLIC COMMENT ON THE CLOSED SESSION AGENDA**– *Members of the public may address the Board on the item or items listed on the Closed Session agenda.*

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

CS 1. Conference with Legal Counsel – the board will confer with District Counsel to review two matters of pending litigation pursuant to Government Code §54956.9.:

- a. Monterey Peninsula Taxpayers' Association, Inc., a California nonprofit corporation; and Richard J. Heuer, III, an individual, *Plaintiff* v. Monterey Peninsula Water Management District, a California public agency; and DOES 1 through 10, *Defendant*. Superior Court of California, County of Monterey; Case No.: 21CV003066
- b. California American Application to Execute the Water Purchase Agreement, re: Pure Water Monterey Expansion. *California Public Utilities Commission Case No.: A.21-11-024*

CS 2. Public Employee Performance Evaluation, (Pursuant to CA Gov Code Sec. 54957 of the Government Code) - Title: General Manager

**CONVENE TO CLOSED SESSION**

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**RECONVENE TO REGULAR SESSION | 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 Monday, October 17, 2022
2. Consider Adopting Draft Resolution No. 2022-32 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (*Rivas*)
3. Consider Adoption of Treasurer’s Report for July 2022
4. Consider Approval of Funds and a Contract for the Sleepy Hollow Steelhead Rearing Facility Rearing Channel Rehabilitation Project
5. Consider Approving Budgeted Funds Not to Exceed \$6,500 to Purchase Field Uniforms for the Water Resources and Environmental Resources Divisions
6. Consider Approving the Contract with Tierra Plan in an Amount Not-to-Exceed \$27,730 to upgrade the MPWMD Stream Flow Data Portal to a Public Facing Database Web Server

7. Consider Adoption of Resolution No. 2022-33 Amending the Non-Residential Water Use Factor for Self-Storage Facilities

**PRESENTATION OF PLAQUE TO OUTGOING DIRECTORS: SAFWAT MALEK, DIRECTOR DIVISION 3 AND CLYDE ROBERSON, MAYORAL REPRESENTATIVE/DIRECTOR**

**GENERAL MANAGER'S REPORT**

8. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision (*Verbal Report*)
9. Update on Water Supply Projects (*Verbal Report*)
10. Receive and Discuss the California Coastal Commission's Hearing on Thursday, November 17, 2022 on California American Water Company's Application No. 9.20-0603 (*Verbal Report*)

**REPORT FROM DISTRICT COUNSEL**

11. Report on Closed Session
12. Status Report on Monterey Peninsula Taxpayers' Association, Inc., a California nonprofit corporation; and Richard J. Heuer, III, an individual, *Plaintiff* v. Monterey Peninsula Water Management District, a California public agency; and DOES 1 through 10, *Defendant*. Superior Court of California, County of Monterey; Case No.: 21CV003066

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

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

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

14. Consider, Discuss and Nominate a Candidate to Board Chair and Vice-Chair for Calendar Year 2023

*Recommended Action:* *The Board will consider and discuss strategies for Board leadership for calendar 2023, nominate a candidate to Chair and Vice Chair, but not vote on candidates until its normal December meeting.*

15. Consider Approval of Amendment No. 7 to the Cost Sharing Agreement with Monterey One Water for Pure Water Monterey Expansion

*Recommended Action:* *The Board will consider approving Amendment 7 to the Cost Sharing Agreement with MIW for the Pure Water Monterey Project and execute per agreement with MIW and at the direction of the CFO and General Manager, subject to any non-substantive edits to the Agreement as a result of MIW subsequent adoption of the Amendment.*

16. Consider Entering into a Reimbursement Agreement with California American Water and Act as Lead CEQA Agency for Los Padres Dam Outlet Modifications

*Recommended Action:* *The Board will consider: (a) Authorizing MPWMD to act as CEQA Lead Agency for the Los Padres Dam Outlet Modification Project; and (b) Authorize the General Manager to enter into a reimbursement agreement with Cal-Am in the amount not-to-exceed \$35,000 for the Los Padres Dam Outlet Modification Project CEQA Lead Agency work.*

*[This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378]*

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

17. Discuss Meeting Format for District Board and Committee Meetings

**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.*

18. Report on Activity/Progress on Contracts Over \$25,000
19. Status Report on Measure J / Rule 19.8 Phase II Spending
20. Letters Received Supplemental Letter Packet
21. Committee Reports
22. Monthly Allocation Report
23. Water Conservation Program Report
24. Carmel River Fishery Report for October 2022
25. 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, December 12, 2022	Regular Meeting	6:00 p.m.	Virtual – Zoom
Thursday, January 26, 2023	Regular Meeting	6:00 p.m.	Virtual – Zoom
Thursday, February 23, 2023	Regular Meeting	6:00 p.m.	Virtual – Zoom

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>	

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests by noon on Friday, November 11, 2022 to: (1) Joel G. Pablo by e-mail at [joel@mpwmd.net](mailto:joel@mpwmd.net), or at (831) 658-5652; and (2) Sara Reyes by e-mail at [sara@mpwmd.net](mailto:sara@mpwmd.net) or at (831) 658-5610.



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

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

**Begin:** Within 10 minutes of the meeting start time from your computer click on this link: <https://mpwmd-net.zoom.us/j/89689567233?pwd=Y1czN29DekthS3kvL0ttTmNXVGdNOT09> or copy / paste the link into your browser.

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

#### **USING A DESKTOP COMPUTER OR LAPTOP**

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

#### **COMPUTER AUDIO**

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

#### **PHONE CALL**

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

+1 669-900-9128 (San Jose, CA)

+1 253-215-8782 (Houston, TX)

+1 346-248-7799 (Chicago, IL)

+1 301-715-8592 (New York, NY)

+1 312-626-6799 (Seattle, WA)

+1 646-558-8656 (Maryland)

3. Once connected, it will ask you to enter the Webinar ID No. and press the pound key
4. It will then ask you to enter your participant ID number and press the pound key.
5. You are now connected to the meeting.

#### **USING AN APPLE/ANDROID MOBILE DEVICE OR SMART PHONE**

1. Download the Zoom application through the Apple Store or Google Play Store (the application is free).
2. Once download is complete, open the Zoom app.
3. Tap “Join a Meeting”
4. Enter the Meeting ID number
5. Enter your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting
6. Tap “Join Meeting”

7. Tap “Join Audio” on the bottom left-hand corner of your device
8. You may select either ONE of two options: “Call via Device Audio” or “Dial in”

#### **DIAL IN**

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

+1 669-900-9128 (San Jose, CA)

+1 253-215-8782 (Houston, TX)

+1 346-248-7799 (Chicago, IL)

+1 301-715-8592 (New York, NY)

+1 312-626-6799 (Seattle, WA)

+1 646-558-8656 (Maryland)

3. The phone will automatically dial the number, and input the Webinar Meeting ID No. and your Password.
4. Do not hang up the call, and return to the Zoom app
5. You are now connected to the meeting.

#### **Presenting Public Comment**

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

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

#### **Submit Written Comments**

If you are unable to participate via telephone or computer to present oral comments, you may also submit your comments by e-mailing them to [comments@mpwmd.net](mailto:comments@mpwmd.net) with one of the following subject lines "PUBLIC COMMENT ITEM #" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS". Comments must be received by 12:00 p.m. on Monday, November 14, 2022. Comments submitted by noon will be provided to the Board of Directors and compiled as part of the record of the meeting.

**ITEM:     CONSENT CALENDAR**

**1.     CONSIDER ADOPTION OF MINUTES OF THE SPECIAL AND REGULAR BOARD MEETING ON MONDAY, OCTOBER 17, 2022**

**Meeting Date:**   November 14, 2022

**Budgeted:**       N/A

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

**Program/**         N/A  
**Line Item No.:**

**Prepared By:**   Joel G. Pablo

**Cost Estimate:**   N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

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

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**SUMMARY:** The Board will review, provide suggested edits, and consider approval of the draft meeting minutes of the MPWMD Board of Director's Special and Regular Board Meeting on Monday, October 17, 2022. The draft minutes are attached as **Exhibit 1-A** to the staff report.

**RECOMMENDATION:** The Board will consider approval of the draft minutes of the MPWMD Board of Director's Special and Regular Board Meeting on Monday, October 17, 2022.

**EXHIBIT**

**1-A**     MPWMD Board of Director's Special and Regular Meeting on Monday, October 17, 2022





## **EXHIBIT 1-A**

**Draft Minutes  
Special and Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
Monday, October 17, 2022**

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

### **CLOSED SESSION**

Chair Paull called the meeting to order at 5:00 p.m.

### **CALL TO ORDER**

*Directors Present via Zoom:*

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

### **ROLL CALL**

*Directors Absent: None*

*General Manager Present: David J. Stoldt*

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

No additions and corrections to the Closed Session Agenda.

### **ADDITIONS AND CORRECTIONS TO THE AGENDA BY DISTRICT COUNSEL**

*Chair Paull opened public comment. No comments were  
directed to the board.*

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

District Counsel Laredo read the Board into Closed  
Session.

**CS 1. Conference with Legal Counsel –  
the board will confer with District  
Counsel to review two matters of  
pending litigation pursuant to  
Government Code §54956.9.:**

- a. CPUC Case No. A. 21-11-024**
- b. CPUC Case No. R. 22-04-003**

**CS 2. Conference with Legal Counsel –  
Significant exposure to litigation  
pursuant to § 54956.9(b): (one  
potential case) involving:**

- a. Threatened breach of  
contract relating to the Storage and  
Recovery Agreement and the  
Water Purchase Agreement  
between Cal-Am and MPMWD**

**CONVENE TO CLOSED SESSION**

**RECONVENE TO REGULAR SESSION**

Chair Paull called the meeting to order at 6:00 p.m.

*Directors Present via Zoom:*

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

*Directors Absent: None*

*General Manager Present:* David J. Stoldt

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

The Assembly recited the Pledge of Allegiance.

No additions and corrections were made to the published  
agenda.

Chair Paull opened public comment.

*The following comments were directed to the Board:*

- (a) Michael Baer: Thanked the Board and District  
Staff for their work. He requested to receive a  
detailed report on matters listed on the Closed  
Session Agenda.

*No further comments were directed to the Board.*

Chair Paull introduced the matter. Paull pulled Item No. 4  
from the consent calendar for separate discussion and  
consideration by the Board. No further requests were made  
by the Board and the public to pull matters off the consent

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**ADDITIONS AND CORRECTIONS TO  
THE AGENDA**

**ORAL COMMUNICATIONS**

**CONSENT CALENDAR**

calendar.

A motion was made by Director Adams with a second by Director Anderson to approve Item Nos. 1, 2 and 3. The motion passed by roll-call vote of 7-Ayes (Adams, Roberson, Anderson, Paull, Malek, Riley and Edwards), 0-Noes and 0-Abstain.

#### **Item No. 4- Pulled Matter**

Chair Paull requested Maureen Hamilton, District Engineer to provide an overview of the Local Project Grant Funding distribution to the City of Monterey.

Hamilton, District Engineer provided an overview of her staff note. She mentioned the City of Monterey's proposed Olivier Street Stormwater Diversion Project would divert urban/untreated water from being discharged to the Monterey Bay National Marine Sanctuary, to an existing City sanitary sewer utility treatment at Monterey One Water Regional Treatment Plant and reduce point source discharge in a disadvantage community.

*The following comments were directed to the Board:*

- (a) Susan Schiavone: Applauded the District's work on the matter and hopes the District will undertake similar projects in the future.

*No further comments were directed to the Board.*

The Board by unanimous consensus was in favor of Item No. 4 via roll-call vote of 7-Ayes (Edwards, Riley, Malek, Paull, Anderson, Roberson and Adams), 0-Noes and 0-Abstained.

Approved the Meeting Minutes of the Regular Board Meeting on Monday, September 19, 2022 and the Special Board Meeting on Monday, October 10, 2022

Adopted Resolution No. 2022 – 29 authorizing remote teleconference meetings of all District legislative bodies for the following 30 days in accord with the Ralph M. Brown Act and AB 361 (Rivas).

The Board adopted the following actions to include:

- 1. Adopted Resolution 2022-28 authorizing the General Manager to apply for and enter into a grant agreement with the DWR for a Proposition 1

1. **Consider Adoption of Minutes of the Regular Board Meeting on Monday, September 19, 2022 and the Special Board Meeting on Monday, October 10, 2022**
2. **Consider Adopting Draft Resolution No. 2022-29 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas)**
3. **Consider Approval of Resolution No. 2022-28 to Apply for and Enter into Grant Agreements for Proposition 1 IRWM Implementation Round 2 Grant,**

Integrated Regional Water Management  
Implementation Round 2 Grant; and

**and Authorize a Grant  
Administration Services Contract**

2. Authorized the General Manager to enter into sub-grant agreements with project proponents; and
3. Authorized the General Manager to enter into an agreement for grant administration services not to exceed \$148,896 and to be reimbursed by the grant.

Considered Distribution of Funds for Local Project Grant Funding

**4. Consider Distribution of Funds for  
Local Project Grant Funding**

1. Approved the City of Monterey grant application to MPWMD for Olivier Street Stormwater Diversion Project development costs; and
2. Authorized the General Manager to enter into a grant agreement with the City of Monterey for Olivier Street Stormwater Diversion Project development costs in the amount of \$25,000.

**GENERAL MANAGER’S REPORT**

David J. Stoldt, General Manager announced CliftonLarsonAllen, LLP has acquired Hayashi & Wayland, the District’s contracted auditors. Stoldt mentioned at some point next year the Board will have to consider whether to continue retaining services offered through CliftonLarsonAllen, LLP.

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

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

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

1. Monterey Peninsula Water Resources System (MPWRS) for the period covering October through September 2022 of the Water Year: (a) Total Target for the Carmel River Basin has not been actualized [Actual: 4,085 Acre Feet (AF); Target: 5,670 AF]; and (b) Total Targets for the Seaside Groundwater Basin have been met [Actual: 1,651 AF; Target: 1,075 AF].
2. Water Projects and Rights for the period covering October through September 2022 of the Water Year: (a) Pure Water Monterey (PWM) Recovery exceeded its 3,500 AF of contracted obligation and deliveries to California American Water (CalAm) by 261 AF; and (b) Sand City



Desal closes out the Water Year below its targets by 180 AF.

3. On Monthly Production for Customer Service for Cal-Am (Water Year 2022): Stoldt reported the difference in customer demand between WY2021 (9,641 AF) and WY2022 (9,516 AF) is 125 AF.

4. Stoldt presented a graph on Water Demand Since 2002 noting that during the current and previous eight (8) years demand has fell below 10,000 AF.

5. On Monthly and Daily Recorded Rainfall at the San Clemente Rain Gage (Water Year 2022): Reported just under 1/2 inch of precipitation received during the month of September 2022.

6. Displayed graph on Estimated Unimpaired Carmel River Flow at Sleepy Hollow WEIR: (Water Year 2022).

District Counsel Laredo reported out from Closed Session.

#### REPORT FROM DISTRICT COUNSEL

CS 1 (a): CPUC Case No.: A. 21-11-024. Laredo stated the application has been divided into two phases:

*Phase 1 of the Application:* CalAm seeks authorization to enter into an Amended and Restated Water Purchasing Agreement for the Pure Water Monterey Expansion. A proposed decision was released by the Administrative Law Judge (ALJ) on September 30, 2022 authorizing CalAm to proceed into the agreement. On the matter, opening comments are due October 20, 2022 and reply comments are due on October 25, 2022.

*Phase 2 of the Application:* Currently in progress, CPUC has asked CalAm to re-examine its long-term water supply and demand estimates in relation to its proposed Monterey Peninsula Water Supply Project (MPWSP). Opening testimony has been received by the ALJ and evidentiary hearings for cross examination may be set sometime in November or December of 2022.

*No reportable action was taken.*

CS 1 (b): CPUC Case No.: R. 22-04-003, Order Instituting Rulemaking (OIR)

Laredo stated the OIR matter is to review the existing framework regarding acquisitions involving water utilities under the Commission's jurisdiction. The District is a party to the matter. There will be continued workshops on the matter from December 2022 through July 2023.

*No reportable action was taken.*

CS 2 (a) Threatened breach of contract relating to Storage

and Recovery Agreement and the Water Purchase Agreement between CalAm and MPWMD.

An oral report to the Board during Closed Session was provided. He stated the parties involved in the matter have met and conferred on multiple occasions resulting in a physical solution being identified and to be implemented. A future meeting will likely occur in April 2023 around the same time a report on implementation has been produced.

*No reportable action was taken.*

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

*Director Mary L. Adams:* Described her experience at the ACWA Region 5 Tour and was quite pleased with the presentations and receptions had.

*Director George Riley:* Mentioned he attended the ACWA Region 5 Tour, commented on Dave Stoldt's presentation and commended Supervisor Adam's last minute impromptu request by ACWA for her to speak.

*Director Amy Anderson:* Stated she attended the ACWA Region 5 Tour. She mentioned she toured Pure Water Monterey, the desal plant at the Marina Coast Water District and was intrigued by conversations had at the event on new technological innovations as it relates to desal.

*Director Karen Paull:* Concurred with Director's comments on the ACWA Region 5 Tour. She commented that she toured and was impressed by the Pure Water Monterey facility. She noted that its platform/space has unused capacity and is ready to be made operational for the Pure Water Monterey- Expansion.

*Director Alvin Edwards:* Commented that he attended a Seaside City Council meeting along with Susan Sandoval informing the Council on water, the Seaside Basin and the CA Coastal Commission upcoming hearing in Salinas, CA. Edwards thanked the General Manager for two letters sent to the Seaside Groundwater Basin Watermaster.

*David J. Stoldt* reported that the District, Maureen Hamilton and Jon Lear received a Federal Facility Excellence in Site Reuse Award for the work done at the Former Fort Ord.

*Director Clyde Roberson:* Informed the Board that he recommended at a recent Mayor's Association meeting that the Mayoral Representative on the MPWMD Board should be on rotation following his departure from elected office.

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

*Chair Paull opened public comment. The following comments were directed to the Board:*

- (a) Michael Baer: Thanked Mayor Roberson for his service on the Board and for his recommendation to the Mayor's Association on Mayoral Representative Rotation for the MPWMD Board. Inquired and requested for the District to ask from the CA Coastal Commission to have CalAm update its numbers for the cost of their proposed desalination project.
- (b) Melodie Chrislock: Thanked Mayor Roberson for his leadership on water matters.

*No further comments were directed to the Board.*

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

*Chair Paull opened public comment. No further comments were directed to the Board.*

A motion was offered by Director Anderson with a second by Director Edwards to adopt Resolution No. 2022-30 and directed staff to submit an application to the State Water Resources Control Board. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

David J. Stoldt, General Manager introduced the matter.

David C. Laredo provided an overview of the staff note, answered Board questions and recommended approval of the matter.

*Chair Paull opened public comment; the following comments were directed to the Board.*

- (a) Margaret-Anne Coppernoll: Expressed support for Resolution No. 2022 – 31 and thanked the District staff for their work.
- (b) Susan Schiavone: Expressed support and believes the District should asserts its rights through the adoption of Resolution No. 2022 – 31.
- (c) Eric Tyan, General Manager with the Castroville Community Services District: Shared his concern over the District taking water from Castroville Seawater Intrusion Project (CSIP) to serve the

## ACTION ITEMS

- 7. **Consider Adoption of Resolution No. 2022-30: A Resolution of the Board of Directors Authorizing the Application, Acceptance, and Execution with the California State Water Resources Control Board for Deep Injection Well No. 6 of the Expansion of the Pure Water Monterey Project**
- 8. **Consider Adoption of Resolution No. 2022-31: A Resolution of the Board of Directors Confirming District Permit Authority Associated with Receipt of Desal Plant Product Water into the Cal-Am Water Distribution System**

Peninsula's needs.

- (d) Michael Baer: Apologized to the Board for his comment made earlier and expressed support for Resolution No. 2022 – 31.
- (e) Melodie Chrislock: In response to Tynan, she explained Pure Water Monterey is not taking water
- (f) Anna Thompson: Thanked the District's for its proactive work and supports Resolution No. 2022 – 31.

Chair Paull requested for the General Manager to place as a future discussion item the relationship between Pure Water Monterey and concerns raised by Eric Tynan, General Manager with the Castroville Community Services District during the meeting.

*Written Public Comment received from Winston P. Stromberg with Latham and Watkins, LLP on Monday, October 17, 2022. A copy of the presentation is available at the District office and can be found on the District website.*

*No further comments were received by the Board.*

A motion was offered by Director Riley with a second by Director Edwards to adopt Resolution No. 2022-31 with editorial changes and directed staff to notify Cal-Am and other permit requirements applicable to importation and use of desal water into the Cal-Am Water Distribution System. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

*No further discussion was had on Informational Items.*

## INFORMATIONAL ITEMS/STAFF REPORTS

- 9. Letters Received and Sent
- 10. Committee Reports
- 11. Monthly Allocation Report
- 12. Water Conservation Program Report
- 13. Carmel River Fishery Report for September 2022
- 14. 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]*

15. **Quarterly Carmel River Riparian  
Corridor Management Program  
Report**
16. **Quarterly Water Use Credit  
Transfer Status Report**

There being no further business, Chair Paull adjourned the meeting at 7:26 p.m.

#### **ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary

Minutes Approved by the MPWMD Board of  
Directors on Monday, November XX, 2022

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**ITEM:        CONSENT CALENDAR**

**2. CONSIDER ADOPTING DRAFT RESOLUTION NO. 2022-32 AUTHORIZING REMOTE TELECONFERENCING MEETINGS OF ALL DISTRICT LEGISLATIVE BODIES FOR THE FOLLOWING 30 DAYS IN ACCORD WITH THE RALPH M. BROWN ACT AND AB 361 (RIVAS)**

**Meeting Date: November 14, 2022**

**Budgeted:** N/A

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

**Program/** N/A  
**Line Item No.:**

**Prepared By:     David Laredo**

**Cost Estimate:** N/A

**General Counsel Review: *Prepared by District Counsel***

**Committee Recommendation: N/A**

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

## DISCUSSION:

Assembly Bill 361 (Rivas) requires the District within 30 days of holding a virtual meeting for the first time, and every 30 days thereafter, to make findings ratifying the state of emergency.

District Counsel has prepared the attached resolution to satisfy the provisions of AB 361. This Resolution can have effect for only 30 days. After 30 days, the District must renew the effect of the resolution by either adopting another, or ratifying it. If no action is taken the resolution shall lapse.

**RECOMMENDATION:**

Consider adopting draft Resolution No. 2022-32 authorizing remote teleconference meetings of all District legislative bodies for the following 30 days in accord with the Ralph M. Brown Act and AB 361 (Rivas).

**OPTIONS:**

Take no action.

## FINANCIAL IMPACT:

There is no fiscal impact.

# EXHIBIT

**2-A Draft Resolution No. 2022-32**







## **EXHIBIT 2-A**

### **Draft RESOLUTION NO. 2022-32**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE STATE OF EMERGENCY PROCLAIMED ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF ALL DISTRICT LEGISLATIVE BODIES FOR THE FOLLOWING 30 DAYS IN ACCORD WITH THE RALPH M. BROWN ACT AND AB 361 (RIVAS)**

#### **FACTS**

1. The Monterey Peninsula Water Management District (District) is public entity established under the laws of the State of California; and
2. The District is committed to preserving and nurturing public access and participation in meetings of the District Board and Committees; and
3. All meetings of District legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code sections 54950 – 54963), so that any member of the public may attend, observe, and participate when District legislative bodies conduct business; and
4. The Brown Act, Government Code section 54953(e), enables remote teleconferencing participation in meetings by members of a legislative body, without strict compliance with requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and
5. One required condition is that a state of emergency has been declared by the Governor of the State of California pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and
6. A proclamation is made that there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the District's jurisdiction, caused by natural, technological, or human-caused disasters; and

7. State or local officials have imposed or recommended measures to promote social distancing, or having the legislative body meet in person would present imminent risks to the health and safety of attendees; and
8. The District Board affirms these conditions now exist in the District. Specifically, on March 4, 2020, the Governor proclaimed a State of Emergency to exist as a result of the threat of COVID-19. That Proclamation has not been terminated by either the Governor or the Legislature pursuant to Government Code section 8629; and
9. Despite sustained efforts to remedy this circumstance, the District Board determines that meeting in person poses an imminent risk to health and safety of attendees due to the COVID-19 virus and its variants; and
10. The District Board finds the emergency created by the COVID-19 virus and its variants has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor and similar local health orders that require social distancing; and
11. As a consequence of the local emergency, the District Board determines that all legislative bodies of the District are required to conduct their meetings without full compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that those District legislative bodies shall comply with the requirements to provide public access to the meetings remotely? as prescribed in paragraph (2) of subdivision (e) of section 54953; and
12. Each District legislative body shall continue to conduct meetings with public access available via call-in or internet-based service options and the public shall be allowed to address the legislative body directly in real time; and
13. This Resolution shall authorize the General Manager to establish and maintain platforms necessary for each District legislative body to hold teleconference meetings and provide an avenue for real-time public comments for such meetings; and
14. The District Board finds the introduction and adoption of this resolution is not subject to the California Environmental Quality Act (CEQA) as the activity is not a project as defined in Section 15378) of the CEQA Guidelines.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT:**

SECTION 1. RECITALS. The foregoing findings are true and correct and are adopted by the District Board as though set forth in full.

SECTION 2. PROCLAMATION OF LOCAL EMERGENCY. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person would present imminent risk as a result of the COVID-19 virus and its variants.

SECTION 3. RATIFICATION OF PROCLAMATION OF A STATE OF EMERGENCY. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

SECTION 4. REMOTE TELECONFERENCE MEETINGS. The General Manager and legislative bodies of the Monterey Peninsula Water Management District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

SECTION 5. EFFECTIVE DATE OF RESOLUTION. This Resolution shall take effect immediately upon its adoption and shall remain in effect for a period of 30 days, or until such time the District Board adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which District legislative bodies may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** on this 14<sup>th</sup> day of November 2022 on a motion by Director \_\_\_\_\_ and second by Director \_\_\_\_\_ by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a resolution adopted on 14<sup>th</sup> day of November 2022.

Dated:

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



**ITEM:      CONSENT CALENDAR****3.          CONSIDER ADOPTION OF TREASURER'S REPORT FOR JULY 2022**

<b>Meeting Date:</b>	<b>November 14, 2022</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>Suresh Prasad</b>	<b>Cost Estimate:</b>	<b>N/A</b>
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**General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee considered this item on November 7, 2022 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 July 2022. Exhibit 3-B and Exhibit 3-C are listings of check disbursements for the period July 1-31, 2022. Checks, virtual checks (AP Automation), direct deposits of employee's paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$2,489,356.38. There were no conservation rebates paid out during the current period. Exhibit 3-D reflects the unaudited version of the financial statements for the month ending July 31, 2022.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board adopt the July 2022 Treasurer's Report and financial statements, and ratification of the disbursements made during the month.

**EXHIBITS**

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



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
TREASURER'S REPORT FOR JULY 2022**

<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>\$981,648.14</b>	<b>\$5,617,171.69</b>	<b>\$10,648,421.04</b>	<b>\$4,435,799.20</b>	<b>\$21,683,040.07</b>	<b>\$119,594.26</b>
Fee Deposits		662,850.06			662,850.06	713,861.76
MoCo Tax & WS Chg Installment Pymt					0.00	
Interest Received			19,936.07	5,292.41	25,228.48	
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		(495,000.00)		495,000.00	0.00	
Transfer to CAWD					0.00	
Voided Checks					0.00	
Bank Corrections/Reversals/Errors	(671.36)				(671.36)	
Bank Charges/Other	(1,180.34)				(1,180.34)	
Credit Card Fees	(1,616.44)				(1,616.44)	
Returned Deposits	-				0.00	
Payroll Tax/Benefit Deposits	(679,352.19)				(679,352.19)	
Payroll Checks/Direct Deposits	(223,220.04)				(223,220.04)	
General Checks	(113,186.52)				(113,186.52)	
Rebate Payments	-				0.00	
Bank Draft Payments	(16,233.39)				(16,233.39)	
AP Automation Payments	(1,453,896.10)				(1,453,896.10)	
<b>Ending Balance</b>	<b>\$492,291.76</b>	<b>\$3,785,021.75</b>	<b>\$10,668,357.11</b>	<b>\$4,936,091.61</b>	<b>\$19,881,762.23</b>	<b>\$833,456.02</b>





**EXHIBIT 3-B**

23

**Check Report**

By Check Number

Date Range: 07/01/2022 - 07/31/2022



Monterey Peninsula Water Management Dist

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK	-Bank of America Checking					
Payment Type: Regular						
00993	Harris Court Business Park	07/08/2022	Regular	0.00	360.49	40687
00993	Harris Court Business Park	07/08/2022	Regular	0.00	360.77	40688
01002	Monterey County Clerk	07/08/2022	Regular	0.00	50.00	40689
01002	Monterey County Clerk	07/08/2022	Regular	0.00	50.00	40690
22901	CalPERS Educational Forum 2022	07/14/2022	Regular	0.00	449.00	40694
00759	Mechanics Bank	07/14/2022	Regular	0.00	109,568.00	40695
03979	Special Districts Association of Monterey County	07/14/2022	Regular	0.00	40.00	40696
08704	Carmel Valley Trail and Saddle Club	07/22/2022	Regular	0.00	598.00	40697
07627	Purchase Power	07/22/2022	Regular	0.00	500.00	40698
03979	Special Districts Association of Monterey County	07/22/2022	Regular	0.00	40.00	40699
22901	CalPERS Educational Forum 2022	07/29/2022	Regular	0.00	449.00	40700
00993	Harris Court Business Park	07/29/2022	Regular	0.00	360.77	40701
00993	Harris Court Business Park	07/29/2022	Regular	0.00	360.49	40702
Total Regular:				0.00	113,186.52	

## Check Report

Date Range: 07/01/2022 - 07/31/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payment Type: Virtual Payment						
00010	Access Monterey Peninsula	07/08/2022	Virtual Payment	0.00	1,750.00	APA000970
00763	ACWA-JPIA	07/08/2022	Virtual Payment	0.00	330.74	APA000971
01188	Alhambra	07/08/2022	Virtual Payment	0.00	232.64	APA000972
21461	Cynthia Kneemeyer	07/08/2022	Virtual Payment	0.00	119.34	APA000973
22248	Cypress Court Reporting, Inc	07/08/2022	Virtual Payment	0.00	1,375.00	APA000974
18225	DUDEK	07/08/2022	Virtual Payment	0.00	60.00	APA000975
00222	M.J. Murphy	07/08/2022	Virtual Payment	0.00	12.92	APA000976
00259	Marina Coast Water District	07/08/2022	Virtual Payment	0.00	1,262.11	APA000977
00242	MBAS	07/08/2022	Virtual Payment	0.00	1,521.00	APA000978
00118	Monterey Bay Carpet & Janitorial Svc	07/08/2022	Virtual Payment	0.00	1,260.00	APA000979
13396	Navia Benefit Solutions, Inc.	07/08/2022	Virtual Payment	0.00	700.83	APA000980
00755	Peninsula Welding Supply, Inc.	07/08/2022	Virtual Payment	0.00	34.32	APA000981
00987	SDRMA - Prop & Liability Pkg	07/08/2022	Virtual Payment	0.00	173,321.00	APA000982
00988	SDRMA - Workers Comp. Insurance	07/08/2022	Virtual Payment	0.00	37,227.77	APA000983
18737	U.S. Bank Equipment Finance	07/08/2022	Virtual Payment	0.00	871.81	APA000984
04732	AM Conservation Group, Inc.	07/14/2022	Virtual Payment	0.00	4,824.10	APA000985
00760	Andy Bell	07/14/2022	Virtual Payment	0.00	631.00	APA000986
00263	Arlene Tavani	07/14/2022	Virtual Payment	0.00	2,056.14	APA000987
00253	AT&T	07/14/2022	Virtual Payment	0.00	957.66	APA000988
02833	Greg James	07/14/2022	Virtual Payment	0.00	804.56	APA000989
00986	Henrietta Stern	07/14/2022	Virtual Payment	0.00	1,371.96	APA000990
04717	Inder Osahan	07/14/2022	Virtual Payment	0.00	1,371.96	APA000991
03857	Joe Oliver	07/14/2022	Virtual Payment	0.00	1,371.96	APA000992
05371	June Silva	07/14/2022	Virtual Payment	0.00	644.40	APA000993
13431	Lynx Technologies, Inc	07/14/2022	Virtual Payment	0.00	2,100.00	APA000994
05829	Mark Bekker	07/14/2022	Virtual Payment	0.00	2,510.00	APA000995
01012	Mark Dudley	07/14/2022	Virtual Payment	0.00	540.00	APA000996
00242	MBAS	07/14/2022	Virtual Payment	0.00	1,014.00	APA000997
18325	Minuteman Press Monterey	07/14/2022	Virtual Payment	0.00	108.29	APA000998
16182	Monterey County Weekly	07/14/2022	Virtual Payment	0.00	2,738.00	APA000999
22201	Montgomery & Associates	07/14/2022	Virtual Payment	0.00	5,247.00	APA001000
00154	Peninsula Messenger Service	07/14/2022	Virtual Payment	0.00	442.00	APA001001
13430	Premiere Global Services	07/14/2022	Virtual Payment	0.00	24.56	APA001002
00262	Pure H2O	07/14/2022	Virtual Payment	0.00	65.54	APA001003
00251	Rick Dickhaut	07/14/2022	Virtual Payment	0.00	557.00	APA001004
04709	Sherron Forsgren	07/14/2022	Virtual Payment	0.00	976.80	APA001005
04719	Telit Io T Platforms, LLC	07/14/2022	Virtual Payment	0.00	232.89	APA001006
00271	UPEC, Local 792	07/14/2022	Virtual Payment	0.00	1,115.50	APA001007
08105	Yolanda Munoz	07/14/2022	Virtual Payment	0.00	540.00	APA001008
06009	yourservicesolution.com	07/14/2022	Virtual Payment	0.00	3,361.00	APA001009
00763	ACWA-JPIA	07/22/2022	Virtual Payment	0.00	330.74	APA001010
00760	Andy Bell	07/22/2022	Virtual Payment	0.00	631.00	APA001011
00224	City of Monterey	07/22/2022	Virtual Payment	0.00	130.29	APA001012
00281	CoreLogic Information Solutions, Inc.	07/22/2022	Virtual Payment	0.00	1,494.95	APA001013
22248	Cypress Court Reporting, Inc	07/22/2022	Virtual Payment	0.00	989.63	APA001014
18734	DeVeera Inc.	07/22/2022	Virtual Payment	0.00	54,215.03	APA001015
15398	GovInvest	07/22/2022	Virtual Payment	0.00	4,975.00	APA001016
00986	Henrietta Stern	07/22/2022	Virtual Payment	0.00	1,371.96	APA001017
03857	Joe Oliver	07/22/2022	Virtual Payment	0.00	1,371.96	APA001018
00094	John Arriaga	07/22/2022	Virtual Payment	0.00	3,400.00	APA001019
00222	M.J. Murphy	07/22/2022	Virtual Payment	0.00	44.13	APA001020
01012	Mark Dudley	07/22/2022	Virtual Payment	0.00	540.00	APA001021
00274	Monterey One Water	07/22/2022	Virtual Payment	0.00	1,065,227.43	APA001022
22247	Pacific Grove Press	07/22/2022	Virtual Payment	0.00	720.00	APA001023
13394	Regional Government Services	07/22/2022	Virtual Payment	0.00	1,445.25	APA001024
00251	Rick Dickhaut	07/22/2022	Virtual Payment	0.00	557.00	APA001025
04359	The Carmel Pine Cone	07/22/2022	Virtual Payment	0.00	2,905.46	APA001026
09425	The Ferguson Group LLC	07/22/2022	Virtual Payment	0.00	12,071.60	APA001027
20185	The Marketing Department, Inc.	07/22/2022	Virtual Payment	0.00	10,625.00	APA001028
17965	The Maynard Group	07/22/2022	Virtual Payment	0.00	1,531.12	APA001029

## Check Report

Date Range: 07/01/2022 - 07/31/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
08105	Yolanda Munoz	07/22/2022	Virtual Payment	0.00	540.00	APA001030
20230	Zoom Video Communications Inc	07/22/2022	Virtual Payment	0.00	448.69	APA001031
01015	American Lock & Key	07/29/2022	Virtual Payment	0.00	5.46	APA001032
00046	De Lay & Laredo	07/29/2022	Virtual Payment	0.00	28,032.50	APA001033
18734	DeVeera Inc.	07/29/2022	Virtual Payment	0.00	374.81	APA001034
00192	Extra Space Storage	07/29/2022	Virtual Payment	0.00	1,127.00	APA001035
22159	Joel Pablo	07/29/2022	Virtual Payment	0.00	75.00	APA001036
00270	Monterey Sanitary Supply	07/29/2022	Virtual Payment	0.00	468.11	APA001037
13396	Navia Benefit Solutions, Inc.	07/29/2022	Virtual Payment	0.00	700.83	APA001038
00154	Peninsula Messenger Service	07/29/2022	Virtual Payment	0.00	237.00	APA001039
00176	Sentry Alarm Systems	07/29/2022	Virtual Payment	0.00	647.54	APA001040
00024	Three Amigos Pest Control DBA Central Coast Exte	07/29/2022	Virtual Payment	0.00	104.00	APA001041
18737	U.S. Bank Equipment Finance	07/29/2022	Virtual Payment	0.00	871.81	APA001042
<b>Total Virtual Payment:</b>				<b>0.00</b>	<b>1,453,896.10</b>	

## Check Report

Date Range: 07/01/2022 - 07/31/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payment Type: Bank Draft						
00266	I.R.S.	07/01/2022	Bank Draft	0.00	16,370.77	DFT0002475
00266	I.R.S.	07/01/2022	Bank Draft	0.00	3,048.44	DFT0002476
00267	Employment Development Dept.	07/01/2022	Bank Draft	0.00	6,382.37	DFT0002477
00266	I.R.S.	07/01/2022	Bank Draft	0.00	359.40	DFT0002478
00266	I.R.S.	07/07/2022	Bank Draft	0.00	28.02	DFT0002482
00266	I.R.S.	07/07/2022	Bank Draft	0.00	86.14	DFT0002483
00266	I.R.S.	07/07/2022	Bank Draft	0.00	368.28	DFT0002484
00252	Cal-Am Water	07/08/2022	Bank Draft	0.00	178.67	DFT0002485
00768	ICMA	07/01/2022	Bank Draft	0.00	5,794.09	DFT0002488
00256	PERS Retirement	07/06/2022	Bank Draft	0.00	16,543.86	DFT0002489
00266	I.R.S.	07/15/2022	Bank Draft	0.00	14,999.88	DFT0002490
00266	I.R.S.	07/15/2022	Bank Draft	0.00	2,936.36	DFT0002491
00267	Employment Development Dept.	07/15/2022	Bank Draft	0.00	6,134.93	DFT0002492
00266	I.R.S.	07/15/2022	Bank Draft	0.00	373.06	DFT0002493
00282	PG&E	07/14/2022	Bank Draft	0.00	10,528.09	DFT0002494
18163	Wex Bank	07/14/2022	Bank Draft	0.00	1,439.20	DFT0002495
00769	Laborers Trust Fund of Northern CA	07/11/2022	Bank Draft	0.00	32,448.00	DFT0002496
00767	AFLAC	07/22/2022	Bank Draft	0.00	869.48	DFT0002497
00252	Cal-Am Water	07/22/2022	Bank Draft	0.00	175.34	DFT0002498
00266	I.R.S.	07/29/2022	Bank Draft	0.00	15,391.79	DFT0002499
00266	I.R.S.	07/29/2022	Bank Draft	0.00	3,113.40	DFT0002500
00267	Employment Development Dept.	07/29/2022	Bank Draft	0.00	6,186.99	DFT0002501
00266	I.R.S.	07/29/2022	Bank Draft	0.00	411.92	DFT0002502
00282	PG&E	07/28/2022	Bank Draft	0.00	2,456.10	DFT0002503
00221	Verizon Wireless	07/28/2022	Bank Draft	0.00	1,293.01	DFT0002504
00277	Home Depot Credit Services	07/28/2022	Bank Draft	0.00	162.98	DFT0002505
00256	PERS Retirement	07/19/2022	Bank Draft	0.00	524,573.60	DFT0002506
00768	ICMA	07/29/2022	Bank Draft	0.00	5,794.09	DFT0002523
00256	PERS Retirement	07/19/2022	Bank Draft	0.00	17,137.32	DFT0002528
Total Bank Draft:				0.00	695,585.58	

Bank Code APBNK	Summary			
Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	13	13	0.00	113,186.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	44	29	0.00	695,585.58
EFT's	0	0	0.00	0.00
Virtual Payments	92	73	0.00	1,453,896.10
	149	115	0.00	2,262,668.20

**All Bank Codes Check Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	13	13	0.00	113,186.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	44	29	0.00	695,585.58
EFT's	0	0	0.00	0.00
Virtual Payments	92	73	0.00	1,453,896.10
	<b>149</b>	<b>115</b>	<b>0.00</b>	<b>2,262,668.20</b>

**Fund Summary**

Fund	Name	Period	Amount
99	POOL CASH FUND	7/2022	2,262,668.20
			<b>2,262,668.20</b>



**EXHIBIT 3-C**

Monterey Peninsula Water Management Dist

**Payroll Bank Transaction Report**

By Payment Number

Date: 7/1/2022 - 7/31/2022

Payroll Set: 01 - Monterey Peninsula Water Management District

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
6581	07/01/2022	Regular	1077	Pablo, Joel G	0.00	2,127.37	2,127.37
6582	07/01/2022	Regular	1024	Stoldt, David J	0.00	11,254.19	11,254.19
6583	07/01/2022	Regular	1044	Bennett, Corryn D	0.00	2,292.60	2,292.60
6584	07/01/2022	Regular	1078	Mossbacher, Simona F	0.00	2,192.73	2,192.73
6585	07/01/2022	Regular	1018	Prasad, Suresh	0.00	3,759.39	3,759.39
6586	07/01/2022	Regular	1019	Reyes, Sara C	0.00	2,012.03	2,012.03
6587	07/01/2022	Regular	1081	Banker-Hix, William C	0.00	2,252.50	2,252.50
6588	07/01/2022	Regular	1042	Hamilton, Maureen C.	0.00	3,074.05	3,074.05
6589	07/01/2022	Regular	1011	Lear, Jonathan P	0.00	4,368.41	4,368.41
6590	07/01/2022	Regular	1012	Lindberg, Thomas L	0.00	2,773.82	2,773.82
6591	07/01/2022	Regular	1080	Steinmetz, Cory S	0.00	2,176.57	2,176.57
6592	07/01/2022	Regular	1045	Atkins, Daniel N	0.00	2,125.25	2,125.25
6593	07/01/2022	Regular	1004	Chaney, Beverly M	0.00	2,788.51	2,788.51
6594	07/01/2022	Regular	1005	Christensen, Thomas T	0.00	3,275.54	3,275.54
6595	07/01/2022	Regular	1079	Gallagher, Riley M	0.00	1,752.08	1,752.08
6596	07/01/2022	Regular	1007	Hamilton, Cory R	0.00	2,358.04	2,358.04
6597	07/01/2022	Regular	6078	Kneemeyer, Cinthia A	0.00	551.48	551.48
6598	07/01/2022	Regular	6080	Lucas, Isabelle	0.00	846.24	846.24
6599	07/01/2022	Regular	1048	Lumas, Eric M	0.00	2,021.08	2,021.08
6600	07/01/2022	Regular	6079	Lupian-Deltoro, Jose A	0.00	1,041.00	1,041.00
6601	07/01/2022	Regular	1001	Bravo, Gabriela D	0.00	2,726.33	2,726.33
6602	07/01/2022	Regular	1076	Jakic, Tricia	0.00	2,536.01	2,536.01
6603	07/01/2022	Regular	1010	Kister, Stephanie L	0.00	2,677.78	2,677.78
6604	07/01/2022	Regular	1017	Locke, Stephanie L	0.00	3,596.21	3,596.21
6605	07/01/2022	Regular	1082	Osborn, Carrie S	0.00	1,924.97	1,924.97
6606	07/01/2022	Regular	1040	Smith, Kyle	0.00	2,578.92	2,578.92
6607	07/07/2022	Regular	7015	Adams, Mary L	0.00	239.07	239.07
6608	07/07/2022	Regular	7020	Anderson, Amy E	0.00	374.02	374.02
6609	07/07/2022	Regular	7019	Paull, Karen P	0.00	623.36	623.36
6610	07/07/2022	Regular	7018	Riley, George T	0.00	623.36	623.36
6611	07/15/2022	Regular	1077	Pablo, Joel G	0.00	2,244.33	2,244.33
6612	07/15/2022	Regular	1024	Stoldt, David J	0.00	6,306.32	6,306.32
6613	07/15/2022	Regular	1044	Bennett, Corryn D	0.00	2,611.38	2,611.38
6614	07/15/2022	Regular	1078	Mossbacher, Simona F	0.00	2,303.11	2,303.11
6615	07/15/2022	Regular	1018	Prasad, Suresh	0.00	4,678.08	4,678.08
6616	07/15/2022	Regular	1019	Reyes, Sara C	0.00	2,273.11	2,273.11
6617	07/15/2022	Regular	1083	Silvas Robles, Teresa	0.00	2,083.94	2,083.94
6618	07/15/2022	Regular	1081	Banker-Hix, William C	0.00	2,337.34	2,337.34
6619	07/15/2022	Regular	1042	Hamilton, Maureen C.	0.00	3,661.30	3,661.30
6620	07/15/2022	Regular	6063	Hampson, Larry M	0.00	180.16	180.16
6621	07/15/2022	Regular	1011	Lear, Jonathan P	0.00	4,531.06	4,531.06
6622	07/15/2022	Regular	1012	Lindberg, Thomas L	0.00	3,048.11	3,048.11
6623	07/15/2022	Regular	1080	Steinmetz, Cory S	0.00	2,432.73	2,432.73
6624	07/15/2022	Regular	1045	Atkins, Daniel N	0.00	2,296.42	2,296.42
6625	07/15/2022	Regular	1004	Chaney, Beverly M	0.00	3,103.90	3,103.90
6626	07/15/2022	Regular	1005	Christensen, Thomas T	0.00	3,633.51	3,633.51
6627	07/15/2022	Regular	1079	Gallagher, Riley M	0.00	2,352.15	2,352.15
6628	07/15/2022	Regular	1007	Hamilton, Cory R	0.00	2,787.72	2,787.72
6629	07/15/2022	Regular	6078	Kneemeyer, Cinthia A	0.00	748.55	748.55
6630	07/15/2022	Regular	6080	Lucas, Isabelle	0.00	766.34	766.34
6631	07/15/2022	Regular	1048	Lumas, Eric M	0.00	2,119.74	2,119.74
6632	07/15/2022	Regular	6079	Lupian-Deltoro, Jose A	0.00	866.17	866.17
6633	07/15/2022	Regular	1001	Bravo, Gabriela D	0.00	3,228.87	3,228.87
6634	07/15/2022	Regular	1076	Jakic, Tricia	0.00	2,918.71	2,918.71
6635	07/15/2022	Regular	1010	Kister, Stephanie L	0.00	3,043.21	3,043.21
6636	07/15/2022	Regular	1017	Locke, Stephanie L	0.00	3,867.29	3,867.29
6637	07/15/2022	Regular	1082	Osborn, Carrie S	0.00	2,200.05	2,200.05

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
6638	07/15/2022	Regular	1040	Smith, Kyle	0.00	2,671.67	2,671.67
6639	07/29/2022	Regular	1077	Pablo, Joel G	0.00	2,180.72	2,180.72
6640	07/29/2022	Regular	1024	Stoldt, David J	0.00	6,340.34	6,340.34
6641	07/29/2022	Regular	1044	Bennett, Corryn D	0.00	2,365.66	2,365.66
6642	07/29/2022	Regular	1078	Mossbacher, Simona F	0.00	2,255.73	2,255.73
6643	07/29/2022	Regular	1018	Prasad, Suresh	0.00	3,886.12	3,886.12
6644	07/29/2022	Regular	1019	Reyes, Sara C	0.00	2,074.85	2,074.85
6645	07/29/2022	Regular	1083	Silvas Robles, Teresa	0.00	2,012.97	2,012.97
6646	07/29/2022	Regular	1081	Banker-Hix, William C	0.00	2,308.59	2,308.59
6647	07/29/2022	Regular	1042	Hamilton, Maureen C.	0.00	3,170.64	3,170.64
6648	07/29/2022	Regular	1011	Lear, Jonathan P	0.00	4,484.21	4,484.21
6649	07/29/2022	Regular	1012	Lindberg, Thomas L	0.00	2,851.16	2,851.16
6650	07/29/2022	Regular	1080	Steinmetz, Cory S	0.00	2,235.47	2,235.47
6651	07/29/2022	Regular	1045	Atkins, Daniel N	0.00	2,181.21	2,181.21
6652	07/29/2022	Regular	1004	Chaney, Beverly M	0.00	2,874.93	2,874.93
6653	07/29/2022	Regular	1005	Christensen, Thomas T	0.00	3,372.13	3,372.13
6654	07/29/2022	Regular	1079	Gallagher, Riley M	0.00	5,748.39	5,748.39
6655	07/29/2022	Regular	1007	Hamilton, Cory R	0.00	2,428.70	2,428.70
6656	07/29/2022	Regular	6078	Kneemeyer, Cinthia A	0.00	1,027.59	1,027.59
6657	07/29/2022	Regular	6080	Lucas, Isabelle	0.00	931.24	931.24
6658	07/29/2022	Regular	1048	Lumas, Eric M	0.00	2,073.07	2,073.07
6659	07/29/2022	Regular	6079	Lupian-Deltoro, Jose A	0.00	813.02	813.02
6660	07/29/2022	Regular	1001	Bravo, Gabriela D	0.00	2,812.73	2,812.73
6661	07/29/2022	Regular	1076	Jakic, Tricia	0.00	2,612.59	2,612.59
6662	07/29/2022	Regular	1010	Kister, Stephanie L	0.00	2,764.15	2,764.15
6663	07/29/2022	Regular	1017	Locke, Stephanie L	0.00	3,695.23	3,695.23
6664	07/29/2022	Regular	1082	Osborn, Carrie S	0.00	1,978.15	1,978.15
6665	07/29/2022	Regular	1040	Smith, Kyle	0.00	2,647.31	2,647.31
40685	07/07/2022	Regular	7009	Edwards, Alvin	480.94	0.00	480.94
40686	07/07/2022	Regular	7021	Malek, Safwat	374.02	0.00	374.02
Total:					854.96	222,365.08	223,220.04





**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE MONTH JULY 31, 2022**

	Mitigation	Conservation	Water Supply	Current Period Activity	FY 2021/2022 Year-to-Date Actual	FY 2021/2022 Annual Budget	Prior FY Year-to-Date Actual
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ -
Water supply charge			-	-	-	3,400,000	-
User fees	-	-	-	-	-	5,500,000	-
Mitigation revenue	-			-	-	-	-
PWM Water Sales			955,032	955,032	955,032	12,201,000	393,120
Capacity fees			49,170	49,170	49,170	500,000	64,368
Permit fees	-	17,710		17,710	17,710	198,000	17,859
Investment income	-	-	-	-	-	80,000	(32,665)
Miscellaneous	-	-	-	-	-	15,000	42
<b>Sub-total district revenues</b>	<b>-</b>	<b>17,710</b>	<b>1,004,203</b>	<b>1,021,913</b>	<b>1,021,913</b>	<b>24,394,000</b>	<b>442,725</b>
Project reimbursements	-	24,433	-	24,433	24,433	2,775,200	43,118
Legal fee reimbursements		300		300	300	16,000	450
Grants	-	-	-	-	-	3,470,200	-
Recording fees		3,740		3,740	3,740	20,000	4,510
<b>Sub-total reimbursements</b>	<b>-</b>	<b>28,473</b>	<b>-</b>	<b>28,473</b>	<b>28,473</b>	<b>6,281,400</b>	<b>48,078</b>
From Reserves	-	-	-	-	-	2,020,000	-
<b>Total revenues</b>	<b>-</b>	<b>46,183</b>	<b>1,004,203</b>	<b>1,050,385</b>	<b>1,050,385</b>	<b>32,695,400</b>	<b>490,803</b>
<b>EXPENDITURES</b>							
<b>Personnel:</b>							
Salaries	64,613	37,199	69,408	171,219	171,219	2,920,500	173,001
Retirement	200,739	134,081	203,817	538,637	538,637	791,900	473,230
Unemployment Compensation	-	-	-	-	-	10,000	-
Auto Allowance	74	74	222	369	369	6,000	392
Deferred Compensation	80	80	241	402	402	10,500	643
Temporary Personnel	1,763	1,555	1,866	5,184	5,184	10,000	-
Workers Comp. Ins.	2,863	206	1,836	4,905	4,905	57,100	4,717
Employee Insurance	10,723	7,815	10,930	29,468	29,468	589,000	25,630
Medicare & FICA Taxes	1,377	604	981	2,962	2,962	50,500	3,312
Personnel Recruitment	-	-	-	-	-	8,000	-
Other benefits	34	30	36	100	100	2,000	100
Staff Development	331	1,741	(71)	2,001	2,001	32,800	725
<b>Sub-total personnel costs</b>	<b>282,595</b>	<b>183,385</b>	<b>289,265</b>	<b>755,246</b>	<b>755,246</b>	<b>4,488,300</b>	<b>681,752</b>
<b>Services &amp; Supplies:</b>							
Board Member Comp	891	891	918	2,700	2,700	37,000	3,780
Board Expenses	120	81	105	306	306	9,000	346
Rent	808	338	831	1,977	1,977	24,200	2,218
Utilities	1,135	1,001	1,202	3,338	3,338	33,200	2,756
Telephone	1,371	1,086	1,017	3,474	3,474	47,000	3,665
Facility Maintenance	513	368	468	1,349	1,349	55,000	3,848
Bank Charges	951	839	1,678	3,468	3,468	25,000	2,373
Office Supplies	245	1,429	215	1,889	1,889	24,200	1,024
Courier Expense	336	356	297	989	989	7,600	481
Postage & Shipping	264	233	279	775	775	7,900	290
Equipment Lease	357	227	288	872	872	18,000	872
Equip. Repairs & Maintenance	-	-	-	-	-	5,000	-
Photocopy Expense				-	-		-
Printing/Duplicating/Binding	-	-	-	-	-	600	-
IT Supplies/Services	7,551	6,603	7,941	22,095	22,095	250,000	16,904
Operating Supplies	5	-	141	146	146	21,200	2,825
Legal Services	4,701	3,276	10,922	18,899	18,899	400,000	23,099



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE MONTH JULY 31, 2022**

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>FY 2021/2022 Year-to-Date Actual</u>	<u>FY 2021/2022 Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
Professional Fees	4,252	3,751	4,502	12,504	12,504	460,000	13,492
Transportation	169	-	230	399	399	31,000	1,948
Travel	481	12	19	513	513	18,000	-
Meeting Expenses	450	397	477	1,324	1,324	21,200	875
Insurance	5,777	3,755	4,911	14,444	14,444	160,000	11,153
Legal Notices	-	-	-	-	-	3,200	-
Membership Dues	-	-	-	-	-	42,200	-
Public Outreach	14	12	14	40	40	3,000	-
Assessors Administration Fee	-	-	-	-	-	34,000	-
Miscellaneous	-	-	-	-	-	3,200	-
<b>Sub-total services &amp; supplies costs</b>	<b>30,391</b>	<b>24,656</b>	<b>36,453</b>	<b>91,500</b>	<b>91,500</b>	<b>1,740,700</b>	<b>91,948</b>
Project expenditures	25,531	53,320	984,077	1,062,927	1,062,927	24,095,500	1,076,238
Fixed assets	1,593	1,405	1,686	4,685	4,685	450,000	-
Contingencies	-	-	-	-	-	70,000	-
Election costs	-	-	-	-	-	250,000	-
Debt service: Principal	-	-	-	-	-	-	-
Debt service: Interest	-	-	-	-	-	230,000	-
Flood drought reserve	-	-	-	-	-	-	-
Capital equipment reserve	-	-	-	-	-	408,500	-
General fund balance	-	-	-	-	-	262,400	-
Debt Reserve	-	-	-	-	-	500,000	-
Pension reserve	-	-	-	-	-	100,000	-
OPEB reserve	-	-	-	-	-	100,000	-
Other	-	-	-	-	-	-	-
<b>Sub-total other</b>	<b>27,123</b>	<b>54,725</b>	<b>985,763</b>	<b>1,067,612</b>	<b>1,067,612</b>	<b>26,466,400</b>	<b>1,076,238</b>
<b>Total expenditures</b>	<b>340,110</b>	<b>262,766</b>	<b>1,311,482</b>	<b>1,914,358</b>	<b>1,914,358</b>	<b>32,695,400</b>	<b>1,849,938</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>\$ (340,110)</b>	<b>\$ (216,584)</b>	<b>\$ (307,279)</b>	<b>\$ (863,973)</b>	<b>\$ (863,973)</b>	<b>\$ -</b>	<b>\$ (1,359,135)</b>

**ITEM:     CONSENT CALENDAR****4.     CONSIDER APPROVAL OF FUNDS AND A CONTRACT FOR THE SLEEPY HOLLOW STEELHEAD REARING FACILITY REARING CHANNEL REHABILITATION PROJECT**

<b>Meeting Date:</b>	<b>November 14, 2022</b>	<b>Budgeted:</b>	<b>Yes-partial</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/</b>	<b>Protect Environmental Quality</b>
		<b>Line Item No.:</b>	<b>2-3-1-L</b>
<b>Prepared By:</b>	<b>Larry Hampson</b>	<b>Cost Estimate:</b>	<b>\$739,500</b>

**General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on November 7, 2022, and recommended approval.****CEQA Compliance: Exempt under §15301 Existing Facilities.**

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**SUMMARY:** Staff proposes to contract for maintenance work for the rearing channel at the District's Sleepy Hollow Steelhead Rearing Facility (Facility). Bids for the project were received on October 28, 2022, from three General Contractors as shown in the attached **Exhibit 4-A**. Bids were responsive to all requirements in the Notice Inviting Bids. The low bidder was Tyman Construction at \$642,998. The next highest bidders were Monterey Peninsula Engineering at \$934,500 and Granite Rock Company at \$1,169,800. The engineer's estimate for the project was \$650,000 to \$750,000.

The FY 2022-23 budget adopted on June 20, 2022, included \$750,000 for rehabilitation projects at Sleepy Hollow. This line item includes funds previously authorized by the Board to close out the contract for installation of quarantine tanks (\$12,000) and to carry out planning and engineering (\$33,000). Staff requests the Board authorize \$739,500 for the rearing channel work, which would require a mid-year budget adjustment of an additional \$34,500 in the Sleepy Hollow Rearing Channel line item for a total line item budget of \$784,500..

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board authorize the General Manager to enter into a contract with Tyman Construction for the Sleepy Hollow Steelhead Rearing Facility Rearing Channel Rehabilitation Project in an amount not-to-exceed \$643,000. Due to the unknowns associated with this work, staff is requesting approval of a contingency amount of \$96,500 (15% of the contract amount) for unforeseen circumstances and engineering consultant services for a total project cost of \$739,500.

**DISCUSSION:** The Facility was initially constructed in 1996 and was intended to be operated on a temporary basis to mitigate for impacts to Carmel River steelhead from water diversions until a replacement water supply was constructed. It has been modified on several occasions to address issues with operations and to add components necessary to successfully rear steelhead rescued from the Carmel River.

The Hypalon liner along 800 feet of the channel has reached the end of its design life and leaks in several places, despite being frequently patched (where possible). This threatens the integrity of the rearing channel walls and liner that could collapse from sinkholes developing under the channel. In addition, the drain line was not designed for staged removal of steelhead. It is undersized and difficult to operate when removing steelhead as the facility is shut down and the fish are returned to the river.

Due to the work required to excavate and replace the drain and to replace the liner, existing infrastructure along the channel needs to be removed and replaced (air and water lines); however, the PVC air and water lines have been constantly exposed to UV and the elements for 26 years and have started cracking in places and have required repairs. These lines are also close to end of life in this facility and would likely need to be replaced in the near future.

Bid advertisements were placed three times with the Monterey County Weekly; the project was placed on ebidboard.com (a comprehensive cross-agency database of California public works construction projects and documents); and staff reached out via email to several contractors. Six contractors attended the site walk through and three bids for the project were received on October 28, as shown in **Exhibit 4-A**. Bids were responsive to all requirements in the Notice Inviting Bids. The low bidder, Tyman Construction, was \$642,998 and has 5 years of experience in contracting, including projects with local private entities, the Cities of Santa Cruz and Monterey, the Pacific Gas & Electric Company, and Napa County Public Works. The Engineering Manager at Napa County characterized Tyman Construction as being able to carry out quality work under extreme time pressures and working extended hours to meet deadlines. When asked about experience installing a liner similar to the EPDM required liner for the Facility, Tyman Construction responded that the company has installed pond liners in the past (the methods for installing liners, whether made of PVC or EPDM, are similar).

The work involves removal of about and replacement of 700 feet of an underground six-inch drain line, removal and disposal of the existing 800-foot long Hypalon liner, removal and reinstallation of a cobble layer in the riffle sections, installation of a concrete bottom with a new EPDM liner, and approximately 2,400 feet of air, fresh water, and saltwater lines. The work site has limited as-built information; is in a remote area; access is subject to rockfall and debris slides; and conditions under the rearing channel are not well characterized. For these reasons, staff is asking for a 15% contingency for unforeseen conditions and for additional engineering consulting work.

**CEQA:** The California Environmental Quality Act Section 15301 exempts maintenance of existing facilities, including those under section (i).

“ Maintenance of fish screens, fish ladders, wildlife habitat areas, artificial wildlife waterway devices, stream flows, springs and waterholes, and stream channels (clearing of debris) to protect fish and wildlife resources; ”

**IMPACTS ON STAFF AND RESOURCES:** Funds for this work are budgeted under Sleepy Hollow Operations Budget Program line item 2-3-1-L Design/Construct Rearing Channel and Quarantine Tank Improvements. The FY 2022-23 budget adopted on June 20, 2022, included \$750,000 for completing the installation of quarantine tanks, planning and engineering, and rearing

channel work. If this item is approved, the total authorized funds for the program line item would be \$784,500, an increase of \$34,500 over the budgeted amount. A mid-year budget adjustment would be made to account for the budget increase.

The work would be performed under the direction of the Project Engineer.

## **EXHIBIT**

### **4-A Bid Summary and Forms**

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## BID FORM

All labor, materials, services, tools, equipment, services and whatever else is required to perform all work in accordance with the requirements in the Call for Bids, and all documents incorporated by reference in the Call for Bids, for construction of the following:

TYMAN Construction

BIDDER: \_\_\_\_\_

Item		Quantity	Unit	Unit Cost	Total
1	Mobilization and General Conditions	1	LS	10,000	10,000
<b>Pool Slabs</b>					
2	Remove and dispose existing liner	1	LS	8,000	8,000
3	Excavation, recompaction and testing of native fill in pools	1	LS	15,000	15,000
4	Importation, compaction, and testing of granular structural fill	1	LS	40,000	40,000
5	Form and pour reinforced concrete slabs	1	LS	50,000	50,000
6	Install new EPDM liner	1	LS	45,000	45,000
<b>Riffles</b>					
7	Remove existing liner and cobble	1	LS	13,000	13,000
8	Excavation, recompaction, and testing of native fill in riffles	1	LS	32,000	32,000
9	Importation, compaction, and testing of granular structural fill	1	LS	60,000	60,000
10	Form and pour reinforced concrete slabs	1	LS	75,000	75,000
11	Install new EPDM liner	1	LS	64,998	64,998
12	Install cobble and spawning gravel	1	LS	55,000	55,000
<b>Site piping</b>					
13	Install gravel filter along approximately 800 feet of rearing channel	1	LS	65,000	65,000
14	Install 10-inch drain and fittings along approximately 800 feet of channel	1	LS	60,000	60,000
15	Install 1.5-inch freshwater line along approximately 800 feet of channel	1	LS	10,000	10,000
16	Install 2-inch saltwater line along approximately 800 feet of channel	1	LS	15,000	15,000
17	Install 4-inch air line along approximately 800 feet of channel	1	LS	20,000	20,000
<b>Site restoration</b>		1	LS	5,000	5,000

	<b>Total Construction Bid Amount</b>	<b>642,998</b>
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1. Total price to include sales tax (if applicable) in Carmel Valley, California (currently 7.75%)

Upon award, this Bid Form shall become a part of the final contract.



## BID FORM

All labor, materials, services, tools, equipment, services and whatever else is required to perform all work in accordance with the requirements in the Call for Bids, and all documents incorporated by reference in the Call for Bids, for construction of the following:

BIDDER: Monterey Peninsula Engineering

Item		Quantity	Unit	Unit Cost	Total
1	Mobilization and General Conditions	1	LS	35,000	35,000
<b>Pool Slabs</b>					
2	Remove and dispose existing liner	1	LS	12,500	12,500
3	Excavation, recompaction and testing of native fill in pools	1	LS	48,000	48,000
4	Importation, compaction, and testing of granular structural fill	1	LS	48,000	48,000
5	Form and pour reinforced concrete slabs	1	LS	75,000	75,000
6	Install new EPDM liner	1	LS	<del>80,000</del> 120,000	120,000
<b>Riffles</b>					
7	Remove existing liner and cobble	1	LS	40,000	40,000
8	Excavation, recompaction, and testing of native fill in riffles	1	LS	48,000	48,000
9	Importation, compaction, and testing of granular structural fill	1	LS	48,000	48,000
10	Form and pour reinforced concrete slabs	1	LS	75,000	75,000
11	Install new EPDM liner	1	LS	<del>80,000</del> 120,000	120,000
12	Install cobble and spawning gravel	1	LS	55,000	55,000
<b>Site piping</b>					
13	Install gravel filter along approximately 800 feet of rearing channel	1	LS	35,000	35,000
14	Install 10-inch drain and fittings along approximately 800 feet of channel	1	LS	100,000	100,000
15	Install 1.5-inch freshwater line along approximately 800 feet of channel	1	LS	20,000	20,000
16	Install 2-inch saltwater line along approximately 800 feet of channel	1	LS	20,000	20,000
17	Install 4-inch air line along approximately 800 feet of channel	1	LS	25,000	25,000
<b>Site restoration</b>					
		1	LS	10,000	10,000

	<b>Total Construction Bid Amount</b>	\$934,500.00
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1. Total price to include sales tax (if applicable) in Carmel Valley, California (currently 7.75%)

Upon award, this Bid Form shall become a part of the final contract.

## BID FORM

All labor, materials, services, tools, equipment, services and whatever else is required to perform all work in accordance with the requirements in the Call for Bids, and all documents incorporated by reference in the Call for Bids, for construction of the following:

BIDDER: GRANITE ROCK COMPANY

Item		Quantity	Unit	Unit Cost	Total
1	Mobilization and General Conditions	1	LS	46000-	46000-
<b>Pool Slabs</b>					
2	Remove and dispose existing liner	1	LS	45000-	45000-
3	Excavation, recompaction and testing of native fill in pools	1	LS	65000-	65000-
4	Importation, compaction, and testing of granular structural fill	1	LS	65000-	65000-
5	Form and pour reinforced concrete slabs	1	LS	65000-	65000-
6	Install new EPDM liner	1	LS	28000-	28000-
<b>Riffles</b>					
7	Remove existing liner and cobble	1	LS	225000-	225000-
8	Excavation, recompaction, and testing of native fill in riffles	1	LS	110000-	110000-
9	Importation, compaction, and testing of granular structural fill	1	LS	83300-	83300-
10	Form and pour reinforced concrete slabs	1	LS	85000-	85000-
11	Install new EPDM liner	1	LS	43000-	43000-
12	Install cobble and spawning gravel	1	LS	55000-	55000-
<b>Site piping</b>					
13	Install gravel filter along approximately 800 feet of rearing channel	1	LS	35000-	35000-
14	Install 10-inch drain and fittings along approximately 800 feet of channel	1	LS	75000-	75000-
15	Install 1.5-inch freshwater line along approximately 800 feet of channel	1	LS	37500-	37500-
16	Install 2-inch saltwater line along approximately 800 feet of channel	1	LS	40000-	40000-
17	Install 4-inch air line along approximately 800 feet of channel	1	LS	60000-	60000-
<b>Site restoration</b>		1	LS	7000-	7000-

	<b>Total Construction Bid Amount</b>	1169800-
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1. Total price to include sales tax (if applicable) in Carmel Valley, California (currently 7.75%)

Upon award, this Bid Form shall become a part of the final contract.

**ITEM:        CONSENT CALENDAR****5.        CONSIDER APPROVING BUDGETED FUNDS NOT TO EXCEED \$6,500 TO PURCHASE FIELD UNIFORMS FOR THE WATER RESOURCES AND ENVIRONMENTAL RESOURCES DIVISION FIELD STAFF**

<b>Meeting Date:</b>	<b>November 14, 2022</b>	<b>Budgeted:</b>	<b>Yes</b>
<b>From:</b>	<b>Dave Stoldt General Manager</b>	<b>Program/ Line Item No.:</b>	<b>2-5-1 D, 2-5-3 A</b>
<b>Prepared By:</b>	<b>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>\$6,500</b>

**General Counsel Approval: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on November 7, 2022 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 Water Resources and Environmental Divisions have 10 employees that perform field duties to support District functions. These duties include Water Project Operations and monitoring, stream flow monitoring, fish rescues and Sleepy Hollow Operations, riparian corridor and stream bank monitoring, and well inspections. District staff interfaces with other Organizations in the field when completing District business that include, but are not limited to; Cal-Am, M1W, Monterey County Environmental Health, Regional Water Quality Control Board, Department of Drinking Water, Marina Coast, and the Army. With increasing cross-organizational interactions, it is desired to have a uniform where District Employees can be identified by sight in the field. In addition, MPWMD employees enter private property to inspect well meters and stream banks. District staff arranges site access with the landowner prior to performing the inspection, but often the landowner has not communicated this to the property manager. If ownership of a property changes and we do not have the contact information of the new owner, we enter the property to place a doorknocker on the front door to inform the new owner of the well registration program and provide our contact info. Many of the properties with wells are gated and we enter through the person/service gate. Wearing a uniform that signals that the District Employee is present with official business would help in these situations.

**RECOMMENDATION:** The Finance and Administration Committee recommends the Board authorize District staff to purchase 5 button up shirts, 2 hats, and 1 jacket for 10 field employees and have them embroidered with the District logo to serve as field uniforms in an amount not to exceed \$6,500.

**BACKGROUND:** Over the past decade, the District has been playing a larger role in providing water supply to the Peninsula as well as completing the regulatory compliance duties of the District. The larger role has put more staff into the field performing water project operations and monitoring. District employees are the only operators that are not wearing uniforms when working with Cal-Am and M1W in the field. Uniforms will also help to identify meter readers as District

Staff when they are entering privately owned lands to read well meters. The District's vehicle fleet is already branded with the District logo, but often employees park and walk various distances on private property to complete District business.

**IMPACT TO STAFF/RESOURCES:** District Staff identified a cost of \$650 per employee to provide 5 shirts, 1 jacket, and 2 hats embroidered with the District logo. The clothing selected is Carhartt field rated and will be purchased at government rate from Carhartt directly and embroidered locally to support local businesses. This cost was budgeted in the FY 2022-2023 Budget and was split across a few budget programs as they will be used when supporting multiple District functions.

## **EXHIBIT**

None

**ITEM: CONSENT CALENDAR****6. CONSIDER APPROVING A CONTRACT WITH TIERRA PLAN IN AN AMOUNT NOT TO EXCEED \$27,730 TO UPGRADE THE MPWMD STREAM FLOW DATA PORTAL TO A PUBLIC FACING DATABASE WEB SERVER**

**Meeting Date:** November 14, 2022      **Budgeted:** Yes, Partially

**From:** Dave Stoldt      **Program/** 2-5-3 A  
           General Manager      **Line Item No.:**

**Prepared By:** Jonathan Lear      **Cost Estimate:** \$27,730

**General Counsel Approval:** N/A

**Committee Recommendation:** The Finance and Administration Committee reviewed this item on November 7, 2022 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:** Currently, the District maintains 15 stream gages, 3 weather stations, and 2 water level monitoring stations. The stations collect 15-minute data and store the data locally to the stations on their data loggers. There is telemetry to 5 of the streamflow stations, 3 of the weather stations, and the lagoon level station. Data from these stations are remotely downloaded at an hourly time step and updated on the District website at the same frequency. Here is the link to the District streamgages: (<https://www.mpwmd.net/environmental-stewardship/carmel-river-basin/carmel-river-flows/>) The tables are updated on a daily time step and plots are updated on an hourly time step. The District has created this website and data flow to share close to real time data with collaborators and regulators. Past water years are archived by water year.

While this is sufficient for real time data sharing and water project operations, the files are flat and do not provide any database capabilities to go back through older data. Data requests internally and from external organizations require MPWMD Hydrologists to manually query the database to provide data on a case-by-case basis. The Water Resources Division is currently in a stream gage upgrade adding telemetry to the remaining 10 gages so those data will be also available real time. There is a desire from the Hydrology and Fish Biology Staff to have all that data collected into a dashboard so that MPWMD staff can know current River conditions when planning field work. When we were planning this work last year, we came up with an estimate of \$24,000 to create an internal web database and dashboard displaying real time River conditions. As District Staff was planning to begin this work this year, during backgrounding the Valley Water stream gage web facing database was discovered. Here is a link to the Valley Water data portal. <https://alert.valleywater.org/map?p=map> This web interface allows for a scrolling zooming map and displays real time values on the map. It also has a database function that allows the user to download ranges of data with customizable reports. After discovering this web interface, District Staff and Management approached Valley Water and inquired about the web interface. The District was able to obtain the estimate from Tierra Plan (**Exhibit 6-A**) to complete the same style web portal for the District as they had for Valley Water.

**RECOMMENDATION:** The Finance and Administration Committee recommends the Board authorize District staff to enter into a contract for an amount not to exceed \$27,730 with Tierra Plain to build a public facing database web server for the District's stream gage network and direct staff to make a midyear budget adjustment of \$3,730 to cover the difference between the budgeted amount and the cost of the product.

**BACKGROUND:** The Water Resources Division is in the middle of a 2-step upgrade to the District's stream gage network. The first step is under process and includes some upgrades to the gage data loggers and telemetry of the remaining gages in the network. The second step is to upgrade the interface with the data. District staff had requested to have a dashboard built where real time River conditions could be accessed to help inform fieldwork. During the process of beginning this work, it was discovered that for \$3,730 more than was budgeted the District could not only create a web facing database that District staff could use, but we could also create a public facing web database displaying all hydrologic data in one location that provides an interactive experience. Users can also download customizable data tables from any of the District's gages. This will save staff time and get the data into the hands of the public faster as currently District Hydrologists complete each data request when a request is received as schedules allow.

**IMPACT TO STAFF/RESOURCES:** District Staff will be working with Tierra Plan to customize this tool to best fit the District's need.

## **EXHIBIT**

**6-A** Surface Water Portal Proposed Project Plan for the Monterey Peninsula Water Management District (MPWMD)





# Surface Water Portal Proposed Project Plan

For Monterey Peninsula Water Management District (MPWMD)

## Executive Summary

Tierra Plan (TP) met with MPWMD staff on September 15, 2022, to discuss a potential surface water management web portal. Based on that meeting and email correspondence, we have outlined this proposed project plan and estimate of the scope of work.

The agency wants a modern system for data sharing and visualization to meet these general requirements:

- Make their sensor data easily accessible to agency staff, partner agencies, researchers, and the interested public.
- Eliminate manual processes for responding to requests and provide an online tool for downloading data for one or multiple sensors
- MPWMD has seen the surface water website TP developed for Santa Clara Valley Water (VW) and would like a similar interface for station mapping, charts, and data sharing.
  - Map-based view of their 17 or so stream and rain gauge sensors showing latest real-time readings.
  - Real-time, interactive data plots (graphs) for each station.
- Implement an automated process that extracts data from Hydstra and Loggernet to a central data repository (database) that can support the web interfaces (charts, maps, downloads etc.)

Our solution provides a sustainable solution and the following key outcomes:

- Inform and engage the public through a simple interactive map and consolidated water data platform,
- Be future-proof and highly scalable,
- Bring current and historic surface water data to life through maps and graphics
- Increase public participation through an improved user experience.

We believe in a collaborative and engaging project management approach. **MPWMD staff will participate in the website design and development process from day one.**

- We will closely coordinate with MPWMD staff for design guidelines and preferences at



the onset of the project.

- MPWMD staff will be able to continually test and evaluate features during development and provide feedback on features and data.
- Regular progress reviews and an open communication channel will allow us to implement feedback quickly.
- We utilize an online collaborative project management tool for tracking milestones, tasks, progress, bugs, and a source code repository.

Our approach ensures a very fluid and flexible development process where each module can be developed and refined with constant input from the stakeholders. This makes deployment and launch at the end of the project much easier. We do not take a black-box approach to application development. Throughout the project, the map and alert interfaces will be available on our servers for MPWMD to evaluate, test, and provide feedback.

There are **four major components** to the water platform:

## DATA ACTIVITIES

We understand sensor data is currently stored in Loggernet and accessed via Hydstra. We would assess both systems to determine what capabilities are available for querying and/or extracting historic data and hourly data. A process will be developed to access and extract data, and will include designing a small database to store and process station data for the web site and API. There would be two types of data extract:

- Pulling historic records for every sensor and storing them in the database. This likely would be a one-time process.
- Pulling hourly or daily data used in web map and charts. Depending on what Hydstra supports this might be done by querying the Hydstra source directly, or through a server task that exports or pulls data on a schedule.

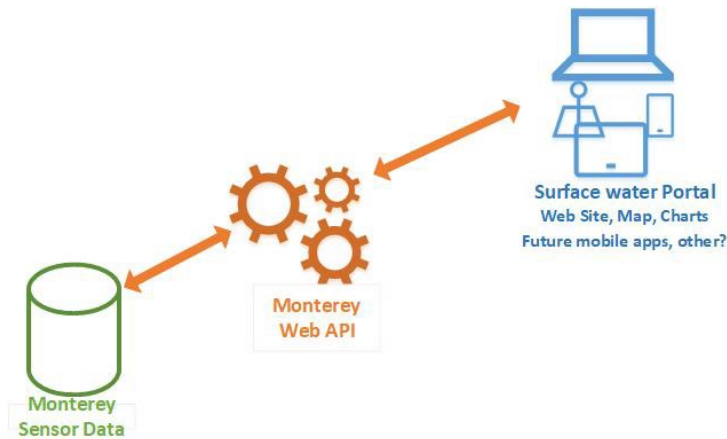
Data processes like this are often called Extract-Transform-Load (ETL) in software lingo.

### Backend Console ETL Application

In the background there will be one or more small console applications that run on a server with access to Hydstra and/or the Loggernet data. The console application is a small executable program we create that extracts raw data directly from Hydstra, or from Hydstra file exports, then transforms and processes the data as needed. And finally loads it into the database. Hence the term ETL This data application typically runs as a Windows scheduled task, and we would develop it to integrate with any scripts and processes you implement in Hydstra.

## WEB API

The next component is developing what is known as a “Web API” for connecting the website to the data store. This is an industry standard approach for sharing data across the internet between databases, web sites and mobile apps. The API acts as a “middle-man” between the data and the web. It handles all requests for a piece of data, connects to the database and gets the data, then formats the data it into an internet standard called JSON, and sends it back to the website. This ensures that the source data is kept secure from the public, and only data intended to be used by a site can be queried and returned.



The Web API is also highly scalable. In addition to handling the data requests for the web map and charts, the Web API also supports allowing users to request and download large data sets. A researcher could, for example, download ten years for streamflow data for any sensor.

The Valley Water system we developed includes a Web API. Use the links below to explore it and try out the data download page as a demonstration.

<https://alertdata.valleywater.org/download.html>

<https://alertdata.valleywater.org/api.html>

## WEBSITE

The most visible component is obviously the website. We can use much of the framework in the Valley Water website where appropriate. Those features include the web-mapping components, charting, sensor data views, and the side-panel navigation and tools. For MPWMD we would implement a different design and styling that follows your main website and style guide.

The website is developed following an approach called **responsive design**. This means the site



is developed to work across multiple devices and screen sizes. It will be easy to navigate and use on a smartphone, tablet, and desktop computer. Early in the project our designer will provide three or four sets of screen mockups that represent the site design in desktop and mobile views. A round of revisions can follow and then once the design and user experience is acceptable, we will begin programming and development.

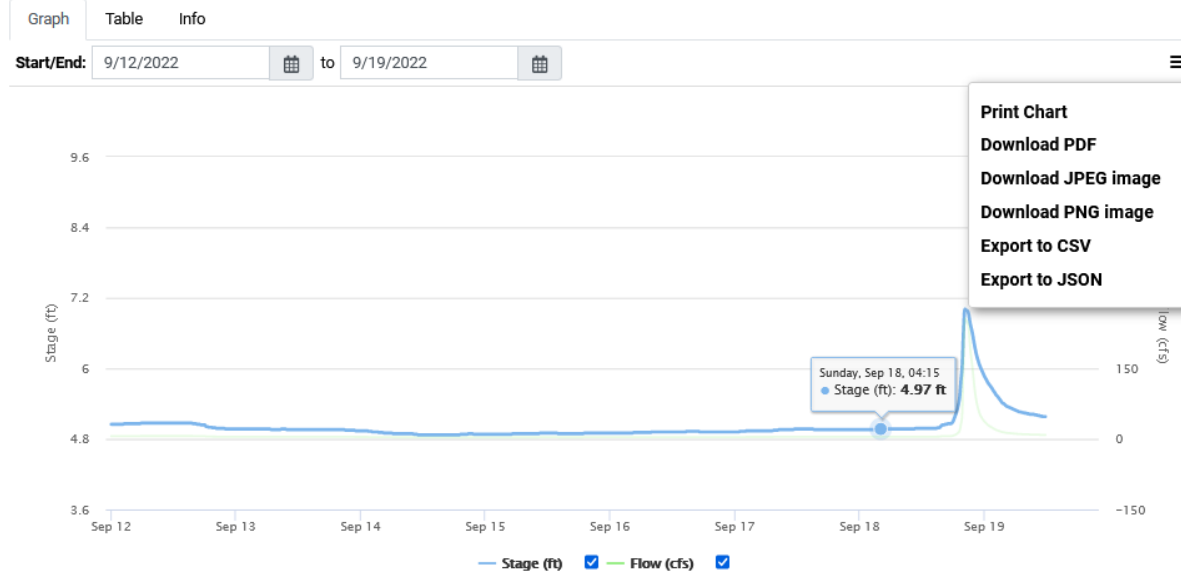
The MPWMD site can include the following features. Please reference the VW site for examples. For MPWMD the interface will be somewhat cleaner than the VW example since we aren't including flood and forecast related data.

- Tools panel
  - Tools in a side-panel on desktop browsers, and in a vertical slidable panel on mobile screens.
  - Toggle between the map and list views. The sensor list view is sortable by name, rating, stage, type, or whatever data is included in the list.
  - Select stage or rating for stream and reservoir labels; select timeframe for rain sensor labels.
  - Sensor search box to allow finding a sensor by name or sensor ID.
- Map
  - MPWMD sensors displayed with actionable, dynamic icons as described in the section below.
  - Basemap tool for switching between streets, satellite, and other basemaps
  - GIS data layers can be added such as watershed boundaries, agency boundaries, stream systems, lithology, etc.
  - Map navigation works with touch gestures and mouse events.
- Sensor data panel.
  - Selecting a sensor will open a panel that displays data in an interactive chart and table view. There would be a default time range for the initial data display, but users can customize the time range.
  - Data is also viewed in a tabular form.
  - Data can be exportable to a CSV, PDF, or an image.
  - An information tab with sensor meta-data and a photo if desired.



### Los Gatos Creek at Lincoln Ave (Stream Sensor 5050)

All times are in Pacific Standard Time (PST), which is one hour earlier than Pacific Daylight Time (PDT)



Sensor data charts are dynamic and can be exported to different formats.

### Los Gatos Creek at Lincoln Ave (Stream Sensor 5050)

All times are in Pacific Standard Time (PST), which is one hour earlier than Pacific Daylight Time (PDT)

Graph Table Info

Start/End: 9/12/2022 to 9/19/2022

Export to CSV

Updated (PST)	Stage (ft)	Flow (cfs)
9/19/2022 12:15 PM	5.17	8.39
9/19/2022 12:00 PM	5.18	8.61
9/19/2022 11:45 AM	5.18	8.61
9/19/2022 11:30 AM	5.18	8.61
9/19/2022 11:15 AM	5.18	8.61
9/19/2022 11:00 AM	5.19	8.84
9/19/2022 10:45 AM	5.19	8.84
9/19/2022 10:30 AM	5.2	9.07
9/19/2022 10:15 AM	5.2	9.07
9/19/2022 10:00 AM	5.21	9.29
9/19/2022 9:45 AM	5.21	9.29
9/19/2022 9:30 AM	5.22	9.52
9/19/2022 9:15 AM	5.22	9.52
9/19/2022 9:00 AM	5.22	9.52
9/19/2022 8:45 AM	5.22	9.52
9/19/2022 8:30 AM	5.23	9.76
9/19/2022 8:15 AM	5.23	9.76
9/19/2022 8:00 AM	5.24	9.99

Sensor data can also be viewed in a table and exported to CSV



The platform will include the following gages to start with, but MPWMD staff can easily add additional sensors in the future:

- Five Carmel river real time stream gages
- Two USGS gages
- Three rain gages
- Two reservoir gages

## Carmel River Heath Dashboard

A key feature of the water portal will include a dynamic and interactive river health dashboard. This single page view will include a regional map highlighting the Carmel river basin including the latest sensor data, interactive charts, sortable data tables, data downloads, boundaries, river and tributaries, sensor descriptions, and other key environmental data. The intent is to bring much of the content currently linked under <https://www.mpwmd.net/environmental-stewardship/carmel-river-basin/> to life in a consolidated, informative visual format.

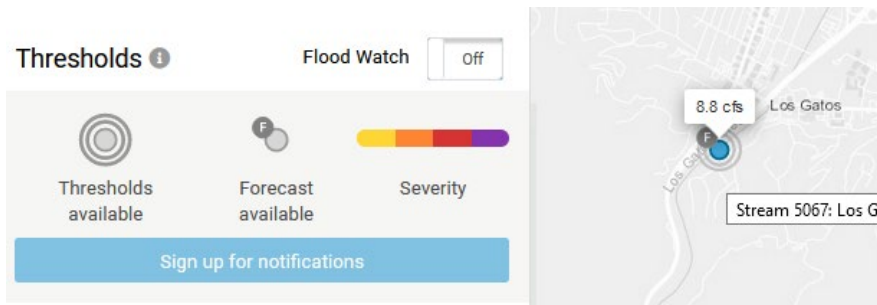
Early in the project we will work with Monterey stakeholders and outline the ideal user experience. Then we will present MPWMD with screen mockups for both mobile and desktop screens, followed by a round of revisions. Once the final designs are approved, we will develop the interface.

## Map Iconography

We create custom map icons using a technology called *scalar vector graphics* (SVG). This allows the map to dynamically convey pieces of information by combining color, icon size, movement, labels, or other indicators. This is a subtle but very effective way of informing users with more data on the map. Most other web map platforms don't do this.

The example below shows an icon presenting multiple pieces of information:

- Color coded by type (blue for stream gauge)
- An attached label shows flow rate or stage for streams, rainfall for rain sensors, and storage or stage for reservoirs based on user selection.
- Hovering on the icon can present a small window with the sensor name and other information.
- Size of icon can illustrate severity, importance, or elevated flow rates
- Presence of pulsating rings indicate flood threshold data available
- Small attached "f" indicated forecast data available



## HOSTING AND SUPPORT

Following development, the website, API, and database need to be hosted on a system with a public facing web server, firewall, bandwidth, and infrastructure suitable for securely hosting online content. The platform will also require some amount of technical support for system administration, backups, monitoring, occasional sensor data feed issues, and minor interface updates. We will provide a system requirements document with specifications for the hosting environment.

Three hosting options:

- MPWMD hosts on their own web server. The agency will need to provide IT support to aid in deployment and the server resources.
- Deploy to a cloud server on MS Azure or Amazon. Costs for this include the monthly cloud server subscription and possibly licensing costs for the database platform. TP or MPWMD can provide the IT resources for cloud deployment.
- Tierra Plan can host the system on our server in our Denver data center. See the attached spec sheet. Our monthly hosting cost is less than a basic cloud server subscription. TP can also provide all IT resources and deployment support.

Regardless of where the system is hosted, we can also provide technical support to address data issues, server management and system administration, support calls, and ad-hoc requests.



## COST ESTIMATE

Our cost estimate is broken down into major system components and includes hours.

We included an optional travel budget if an onsite kickoff meeting is desired. Actual travel costs would be invoiced as expenses. The hosting and support are separate items, and that estimate is per year starting the month the final application is deployed and "goes live".

We are flexible and able to negotiate terms and refine the scope and costs as needed.

Activity	Task	Details	Hours	Cost
<b>Data Activities</b>	Hydstra Data Integration/ETL	Explore and implement the best strategy for extracting data from Hydstra: pulling real time 15- minute data, and extracting historic data per sensor either one-time or on-demand	8	\$1,000
<b>Data Activities</b>	Database and Data Collection	Develop simple relational SQL database model for storing sensor data at 15-minute, hourly, daily, and ytd aggregates. Includes tables, views, sql procedures, documentation and database diagram. Task also includes acquiring spatial data (boundaries, gage points, etc.) and preparing it for web.	10	\$1,250
<b>Data Activities</b>	ETL Console Application	Develop lightweight server-side console application that imports and processes Hydstra data on scheduled tasks.	16	\$2,000
<b>Web API</b>		REST Web API for securely handing all water data requests between web interfaces (maps, charts, downloads, etc.) and backend database and Hydstra..  API includes a web interface for large data downloads per sensor and date range at 15 minute or daily levels.	20	\$2,500
<b>Interface Design</b>		Interface design and user experience, implement Monterey styles and branding.  River health dashboard design and screen mockups with 2 rounds of revision. Define user workflow, graphic elements, HTML and CSS stylesheets, and mobile device responsiveness.	24	\$2,640



<b>Interface Programming</b>	Maps, charts, dashboard	Tasks include customizing and configuring our water portal platform for Monterey data, sensors, and styling. Development of the Carmel river dashboard.	52	\$6,500
<b>Interface Programming</b>	Administrator Interface	Configure simple password protected administrator interface for editing Monterey sensor meta data, uploading sensor photos, and all application configurations.	8	\$1,000
<b>Interface Programming</b>	Testing	Testing processes include 1) unit testing each component at Tierra Plan, 2) acceptance testing collaboration with MPWMD staff. Fixes for testing findings.	12	\$1,500
<b>Deployment Support &amp; Final Deliverables</b>		Admin and staff training sessions (remote). Create admin/technical system documentation.	10	\$1,100
<b>Project Coordination</b>		Project coordination and kickoff, regular progress reviews, project management.	24	\$2,640
	<b>Core Requirements Subtotal</b>		<b>184</b>	<b>\$22,130</b>
<b>Travel (optional)</b>	Site Visit Travel	Estimated air travel and two nights lodging for Kevin Knapp for site visit. Actual travel costs are invoiced as expenses.		\$1,000
	Site Visit onsite time	Two person-days onsite (Kevin Knapp, Sarah Mattern).	16	\$1,600
	<b>Site Visits Subtotal</b>			<b>\$2,600</b>
<b>Hosting, Support, Maintenance</b>	Water Portal Maintenance and Support (annual)	Includes two hours per month for support change requests, ad-hoc issues. Term begins the first month of public "production" deployment.		\$3,000
	System Hosting (annual)	Host the database, web API, website, admin website. Includes server, system administration, backups, firewall, networking, and bandwidth in our Tier 3 data center.		\$3,600
				<b>\$6,600</b>
	<b>Grand Total</b>	"Not to exceed" total.		<b>\$27,730</b>



## Company Background & Experience

### TIERRA PLAN, LLC CORPORATE QUALIFICATIONS

**Office Address**

13 S Tejon Street, Ste. 301  
Colorado Springs, CO 80903 USA

**Mailing Address**

PO Box 1462  
Colorado Springs, CO 80901 USA

DUNS Number: 027078507

NAICS Codes (2012): 541430, 541370,  
541360, 541512, 541511, 519130

Cage Code: 7LJE1

EIN Number: 45-3652489

Registered in System for Award  
Management (SAM)

Colorado DOT Disadvantaged Business  
Enterprise (DBE)

**Key Project Contact**

Kevin Knapp - President, Project Lead and  
Authorized Executive

Direct Phone: 719-635-1389

Mobile Phone: 719-332-2058

Email: kknapp@tierraplan.com

Tierra Plan is an LLC in Colorado, founded in 2009 and is in good financial health and Good Standing with the State of Colorado. Tierra Plan carries a general liability insurance policy up to \$2,000,000, plus professional liability and workers comp coverage.

Tierra Plan is not involved in any pending litigation, liens, or claims and we have never filed for bankruptcy. We have never defaulted on a contract or had a contract terminated.

## Firm Qualifications, Expertise & Experience

**Tierra Plan provides custom GIS solutions focused on data-driven web maps.** We help government agencies answer questions and solve problems by seeing their data in ways that are quickly understood and easily shared—on a map. Our specialties include responsive web interface design and development, data integration, Esri and open-source map platform implementation, geodatabase development, system architecture, and advanced spatial analysis.

Our staff consists of a select group of experts in advanced web development, database development, GIS, spatial analysis, and user interface design. We design and build web GIS interfaces, enterprise database systems, and data APIs, and geographic business intelligence. Tierra Plan is an Esri business partner, specialized in implementing GIS solutions using the Esri platforms and APIs. We also leverage mapping technologies from Leaflet, MapBox, and Google, and native database spatial technologies such as those in SQL Server, Oracle, and MySQL into hybrid solutions that best meets the needs of each project.

Our technical specialties include:

- Custom web map application development
- Web interface design and development
- Web API development
- Database design and data integrations
- GIS architecture and enterprise implementation
- Esri platform implementation including ArcGIS Server, Online, & Portal
- Spatial analysis and modeling

## **MAINTENANCE/WARRANTY**

All deliverables including the website, data API, map services, and data will be delivered free of major defects. Tierra Plan will produce fixes and patches to remedy defects in the software not found during user testing for the first 60 days. During this period, we will maintain a copy of the application platform on our staging and development environment to address any potential issues. In the event MPWMD finds a bug or defect in a tool we will fix it no cost. Tierra Plan will provide e-mail and telephone support for MPWMD staff during its normal business hours Monday through Friday (U.S. holidays excepted). The primary vehicle for support requests will our online ticketing system and e-mail. A bug is defined as defect in the application suite that does not work or returns an error. Changes in scope, new requirements, and enhancements to interfaces or data are not considered bugs or defects.

## **PAYMENT TERMS**

We typically invoice at the end of each month for work performed that month. Invoices are due 30 days after the billing date. Payment details for wire transfer and remittance by mail will be included on each invoice.

## Tierra Plan Hosting Capabilities

We can provide hosting services for any components of a geospatial application in our private cloud. We specialize in hosting and managing geospatial web applications and data. Our servers are collocated in a Tier 3 datacenter in Denver, CO with multiple levels of redundancy and security. Our environment is over-provisioned and highly scalable, so we can easily provide all the servers, software, and storage required for any part of your platform.

We maintain VMware High Availability (HA) server clusters with redundant network storage arrays and two redundant Barracuda firewalls. We can also provide dedicated server(s) and secure VPN access for your project team if needed

Hosting agreements include technical support and system administration, data backup and recovery strategies, bandwidth, and high availability (HA) servers with failover, ensuring your data is safe and can be recovered to any point in time.

### Data center specifications

- 12 internet carrier connection redundancy
- ISO 27001 Compliant
- SOC 2 Type II & SOC 3
- HIPAA Compliant
- PCI Compliant
- High Availability VMware server clusters, and multiple levels of redundant hardware, firewalls, and switches.
- N+1 Backup Power
- N+1 designed climate control
- High-density redundant cooling systems
- 24x7 monitoring and security
- Multi-level access authorization with mantrap, biometric verification and security-controlled access level assignment



**ITEM: CONSENT CALENDAR****7. CONSIDER ADOPTION OF RESOLUTION 2022-33 AMENDING THE NON-RESIDENTIAL WATER USE FACTOR FOR SELF-STORAGE FACILITIES****Meeting Date:** November 14, 2022 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/** N/A  
**Line Item No.:****Prepared By:** Stephanie Locke **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

**SUMMARY:** The District's non-residential water use factor for self-storage facilities was last updated in late 2005. Recent review of the factor indicates that using the number of self-storage units to project water use is not a good indicator as units vary in size and layout and the use of a square-footage factor is much more accurate to project water use. District law allows updates to the water use factors by resolution of the Board.

Staff is recommending the factor be revised from 0.0008 acre-foot (AF) per storage unit to a factor of 0.0002 AF per 100 square-feet of self-storage space. Staff reviewed square-footage, unit numbers, and water use averages for local facilities that have been inspected and/or permitted by the District to validate the revised factor. Office/retail areas directly related to the self-storage facility are included in the square-footage, and newer facilities that process portable storage units (e.g., "PODS" and U-Haul's "U-Box") will be based on the number of "stories" the units can occupy. For example, if the project can functionally stack four units on top of each other, there would be four "floors" in the calculation of area. Extensive landscaping is assessed separately, and minimal water efficient landscaped area is included in the factor. Note that self-storage facilities are one of the lowest water users permitted by the District with only minimal water uses mainly for sanitary purposes and irrigation.

**RECOMMENDATION:** Adopt Resolution No. 2022-33 to amend District Rule 24, Table 2: Non-Residential Water Use Factors for self-storage to 0.0002 AF per 100 square-feet of self-storage space.

**EXHIBIT****7-A** Draft Resolution No. 2022-33







## **EXHIBIT 7-A**

### **Draft RESOLUTION NO. 2022-33**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AMENDING TABLE 2: NON-RESIDENTIAL WATER USE FACTOR FOR SELF-STORAGE**

**WHEREAS**, District Rule 24-B (Non-Residential Calculation of Water Use Capacity) allows changes to Table 2: Non-Residential Water Use Factors through Resolution of the Board of Directors; and

**WHEREAS**, the factor for self-storage facilities was last revised in 2005; and

**WHEREAS**, staff recently reviewed water records and inspection reports to update the factor based on use per hundred square-feet; and

**WHEREAS**, self-storage facilities vary in size and layout, and the use of a factor applied to square-footage is somewhat more accurate than a factor applied to the number of storage units for purposes of calculating Water Use Capacity; and

**WHEREAS**, self-storage facilities that store portable storage units (e.g. “PODS” and U-Haul “U-Box”) will be based on the square-footage of the number of “stories” the units can occupy; and

**WHEREAS**, office and retail areas directly related to the self-storage facility business are included in the square-footage, as is minimal water efficient landscaped area, as self-storage facilities are one of the lowest water users permitted by the District with only minimal water uses mainly for sanitary purposes and irrigation.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of the Monterey Peninsula Water Management District approves amendment to District Rule 24-B, Table 2: Non-Residential Water Use Factors to revise the Non-Residential water use factor for self-storage as shown in **Attachment 1**.

**PASSED AND ADOPTED** on this 14th day of November 2022 on a motion of Director \_\_\_\_\_ and second by Director \_\_\_\_\_ by the following vote, to wit:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing resolution was duly adopted on the 14<sup>th</sup> day of November 2022.

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David J. Stoldt,  
Secretary to the Board of Directors

**TABLE 2: NON-RESIDENTIAL WATER USE FACTORS****Group I** 0.00007 AF/SF

Users in this category are low water uses where water is primarily used for employee hygiene and minimal janitorial uses. Examples are offices, warehouses, and low water use retail businesses.

**Group II** 0.0002 AF/SF

Users in this category prepare and/or sell food/beverages that are primarily provided to customers in/on disposable tableware. Food with high moisture content and liquid food may be served on reusable tableware. Glassware may be used to serve beverages. Users in this category are not full-service restaurants.

**Group III**

Assisted Living (more than 6 beds) <sup>2</sup>	0.085 AF/Bed
Bar (limited food/not a full-service restaurant)	0.0002 AF/SF <sup>1</sup>
Beauty Shop/Dog Grooming	0.0567 AF/Station
Child/Dependent Adult Day Care	0.0072 AF/Person
Dry Cleaner w/on-Site laundry	0.0002 AF/SF
Dormitory <sup>3</sup>	0.02 AF/Bed
Laundromat	0.2 AF/Machine
Motel/Hotel/Bed & Breakfast	0.064 AF/Bedroom
Large Bathtub (Add to bedroom factor)	0.03 AF/Tub
Each additional Showerhead beyond one per stall (Add to bedroom factor)	0.02 AF/Showerhead
Nail Salon	0.00007 AF/SF
Irrigated Areas/Landscaping	ETWU (See Rule 142.1)
Plant Nursery	0.00009 AF/SF Land Area
Public Toilet	0.058 AF/Toilet
Public Urinal	0.036 AF/Urinal
Zero Water Consumption Urinal	No Value
Recreational Vehicle Water Hookup	0.064 AF
Restaurant - Full Service (including associated Bar Seats)	0.02 AF/Interior Restaurant Seat
Exterior Restaurant Seats above the “Standard Exterior Seat Allowance” <sup>4</sup>	0.01 AF/Exterior Restaurant Seat
Exterior Restaurant Seats within the “Standard Exterior Seat Allowance”	No Value
Restaurant (24-Hour and Fast Food)	0.038 AF/Interior Restaurant Seat
School or Church	0.00007 AF/SF
Self-Storage	0.00082 AF/Storage Unit <b>100 SF</b>
Skilled Nursing/Alzheimer’s Care	0.12 AF/Bed
Spa	0.05 AF/Spa
Swimming Pool	0.02 AF/100 SF of Surface Area
Theater	0.0012 AF/Seat

#### **Group IV - MODIFIED NON-RESIDENTIAL USES**

Users in this category have reduced water Capacity from the types of uses listed in Groups I-V and have received a Water Use Credit for modifications (Rule 25.5-F-4-d) or permanent installation of known and validated technology that results in a quantifiable reduction in Water Use Capacity. Please inquire for specific property information.

#### **Group V – INDUSTRIAL USES**

Users in this category use water during the production process for either creating their products or cooling equipment. Industrial water may also be used for fabricating, processing, washing, diluting, cooling, or transporting a product. Water is also used by industries producing chemical products and food products. Industrial uses also include certain hospital uses. Water Use Capacity shall be determined following review of the project's construction and business plans and estimated water use and may be considered for Rule 24 Special Circumstances.

Notes: Any Non-Residential water use which cannot be characterized by one of the use categories set forth in Table 2 shall be designated as “other” and assigned a factor which has a positive correlation to the anticipated Water Use Capacity for that Site. When a Non-Residential project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

<sup>1</sup> ABC Licensed Premises Diagram area shall be used for calculation of square-footage.

<sup>2</sup> Assisted living Dwelling Units shall be permitted as Residential uses per Table 1, Residential Fixture Unit Count Values.

<sup>3</sup> Dormitory water use at educational facilities is a Residential use, although the factor is shown on Table 2.

<sup>4</sup> See Rule 24-B-1 and Rule 25.5 for information about the “Standard Exterior Seat Allowance”.

**ITEM: ACTION ITEM****14. CONSIDER, DISCUSS, AND NOMINATE A CANDIDATE TO BOARD CHAIR AND VICE-CHAR FOR CALENDAR YEAR 2023**

<b>Meeting Date:</b>	<b>November 14, 2022</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>David J. Stoldt</b>	<b>Cost Estimate:</b>	<b>N/A</b>

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

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**SUMMARY:** There has been discussion among the current Chair and Vice Chair regarding Board leadership for next calendar year. Rule 2.5 of the District Meeting Rules regarding “Rotation of Vice Chair into the Position of Chair” states the Board shall rotate its leadership among the seven (7) members. To encourage rotation of the Chair, each December when the annual election of Board officers is conducted, or when a vacancy in the position of Chair occurs, the Vice-Chair shall be elected as Chair. Beginning in December 2016, the following rotation was established to select the next Vice-Chair.

Division 2 Director Mayoral Representative  
 Division 3 Director  
 Division 1 Director  
 Division 4 Director  
 Monterey County Board of Supervisors Representative  
 Division 5 Director

Thereafter, the rotation shall return to the top of this list.

Should the current Vice-Chair decline to serve as incoming Chair, the Meeting Rule states the Board shall select the Director next in rotation to serve as Chair. Should the Director next in rotation for the position of Vice-Chair decline to serve in that capacity, the Board shall select the next Director in rotation to serve as Vice-Chair. The declining Director shall have an opportunity to serve once the entire rotation schedule is complete and has returned to the Division that opted-out. To deviate from this Rule 2.5 the Board would need to approve an exception.

**RECOMMENDATION:** The General Manager recommends that the Board discuss strategies for Board leadership for calendar 2023, nominate a candidate to Chair and Vice Chair, but not vote on candidates until its normal December meeting.

**EXHIBIT**

None

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**ITEM: ACTION ITEM****15. CONSIDER APPROVAL OF AMENDMENT NO. 7 TO THE COST SHARING AGREEMENT WITH MONTEREY ONE WATER FOR PURE WATER MONTEREY EXPANSION****Meeting Date: November 14, 2022 Budgeted: n/a****From: David J. Stoldt, General Manager Program/Line Item No.:****Prepared By: David J. Stoldt Cost Estimate:****General Counsel Approval: N/A****Committee Recommendation: None****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**SUMMARY:** In May 2013, Monterey One Water (M1W) and Monterey Peninsula Water Management District (MPWMD) entered into a Cost Sharing Agreement (Agreement) to fund the Pure Water Monterey (PWM) Project planning and development costs, also referred to as pre-construction costs.

Under the Agreement, beginning with Fiscal Year 2013-14, M1W agreed to fund 25% of all costs listed in Section II (A)(1,2) of the Agreement, while the MPWMD agreed to pay for 75% of the specified costs. Since the initial Agreement, the parties have entered into 5 amendments to the Agreement.

With the recent award of \$19.6 million in the form of a federal Bureau of Reclamation grant, the attached Amendment 7 (**Exhibit 15-A**), incorporates changes to the Agreement to reimburse the District \$1.5 million for prior expenditures. The District budgeted the \$1.5 million for the in its FY 2022-23 budget.

Cost sharing for pre-construction costs of the Pure Water Monterey Expansion, as covered in Amendment 6 executed in December 2021, remains intact.

**RECOMMENDATION:** The General Manager recommends the Board approve Amendment 7 to the Cost Sharing Agreement with M1W for the Pure Water Monterey Project and execute per agreement with M1W and at the direction of the CFO and General Manager, subject to any non-substantive edits to the Agreement as a result of M1W subsequent adoption of the Amendment.

**EXHIBIT****15-A Amendment 7 to M1W-MPWMD GWR Project Cost Sharing Agreement**





**EXHIBIT 15-A****SEVENTH AMENDMENT TO THE  
GROUNDWATER REPLENISHMENT PROJECT  
COST SHARING AGREEMENT**

This Seventh Amendment to **the Groundwater Replenishment Project Cost Sharing Agreement** (“**Agreement**”) is entered into as of November 28, 2022 (**Effective Date**) by and between the Monterey One Water, a joint powers authority formerly known as Monterey Regional Water Pollution Control Agency ("M1W") and the Monterey Peninsula Water Management District, a California special act district ("MPWMD") (collectively the "Parties"), based upon the following facts, intentions and understandings of the Parties.

**RECITALS**

- A. WHEREAS, on or about May 20, 2013, Monterey Regional Water Pollution Control Agency and the Monterey Peninsula Water Management District entered into a written Cost Sharing Agreement (“Agreement”) for the limited purpose of sharing the costs incurred beginning April 1, 2012, for the planning and development of the Groundwater Replenishment Project.
- B. WHEREAS, on or about March 17, 2014, MPWMD and M1W entered into Amendment 1 to the Agreement.
- C. WHEREAS, on or about July 25, 2016, MPWMD and M1W entered into Amendment 1-A of the Agreement.
- D. WHEREAS, in or about October of 2017, MPWMD and M1W entered into Amendment 2 to the Agreement. Pursuant to Amendment 2, the parties agreed to share the planning and development costs (“pre-construction costs) of the Project incurred beginning April 1, 2012, through February 28, 2017; and to split the share of unreimbursed construction costs incurred from March 1, 2017 through June 30, 2019.
- E. WHEREAS, on or about June 13, 2019, MPWMD and M1W entered into Amendment 3 to the Agreement. Pursuant to Amendment 3, the Parties agreed to share the cost of

unreimbursed construction costs for the period March 1, 2017, through December 31, 2020.

- F. WHEREAS, on or about December 15, 2020, MPWMD and M1W entered into Amendment 4 to the Agreement. Pursuant to Amendment 3, the Parties agreed to share the cost of unreimbursed construction costs for the period December 1, 2020, through June 30, 2022.
- G. WHEREAS, on or about April 1, 2021, MPWMD and M1W entered into Amendment 5 of the Agreement. Pursuant Amendment 5, the parties agreed to share the construction costs for the Pure Water Monterey expansion which were not allowed to be capitalized to the project and/or paid or reimbursed by the State Revolving Fund for the period June 1, 2021, through December 31, 2021.
- H. WHEREAS, on or about December 1, 2021, MPWMD or M1W entered into Amendment 6 of the Agreement. Pursuant to Amendment 6, the Parties agreed to share the unreimbursed construction costs (MPWMD 75%) and M1W (25%) for the period December 1, 2021, through June 30, 2024.
- I. WHEREAS, FROM Fiscal Year 2015-16 thru 2021-22, MPWMD has paid for approximately \$13 million in costs related to Pure Water (excluding costs paid for by MPWMD for Construction of Deep Well #4), of which M1W has repaid approximately \$5 million back to MPWMD through proceeds received from the SRF loan proceeds received for eligible project costs.
- J. WHEREAS, MPWMD or M1W now desire to amend the Agreement to provide for final payment by M1W to MPWMD for the reimbursement costs for the Project as set forth in the Agreement and the Amendments thereto.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing Recitals, which are incorporated into this Agreement by this reference, the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to as follows:

1. M1W shall make a final payment to MPWMD in the amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) as final reimbursement for costs incurred by MPWMD for Pure Water Monterey up and through February 28, 2023.

2. MPWMD agrees that the payment set forth in Paragraph 1 satisfies all remaining financial obligations of M1W under the Agreement and subsequent amendments thereto due and owing through February 28, 2023, and that no further payments shall be due from M1W for any additional costs incurred prior to February 28, 2023 except for costs incurred by MPWMD for Deep Well Injection #6 prior to February 28, 2023 that are eligible to be reimbursed from a grant to be received from the State of California.

3. The Parties agree that the provisions of Amendment 6 requiring MPWMD to pay seventy-five percent (75%) and M1W to pay twenty-five percent (25%) of the Pure Water Monterey expansion project related costs that are not allowed to be capitalized to the project and paid or reimbursed by State Revolving Fund Loans, including among others, for Facility Expansion Design and Engineering; Regulatory Proceedings; Expansion Environmental Scoping and Review; and Expansion Permitting that occur from January 1, 2023 through June 30, 2024, shall remain in effect.

4. The Agreement shall remain in force and effect until June 30, 2024. The term of this Agreement may be extended with the mutual agreement of the Parties.

5. This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original, and such counterparts, shall together constitute one and the same Agreement. Facsimile signatures or PDF or other electronic copies of signatures shall constitute original signatures for purposes of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date shown above.

Dated:

Dated:

Monterey One Water

MPWMD

By: \_\_\_\_\_  
Mary Ann Carbone, Chair  
M1W Board of Directors

By: \_\_\_\_\_  
Karen Paull, Chair  
MPWMD Board of Directors

**ITEM: ACTION ITEM****16. CONSIDER ENTERING INTO A REIMBURSEMENT AGREEMENT WITH CALIFORNIA AMERICAN WATER AND ACT AS LEAD CEQA AGENCY FOR LOS PADRES DAM OUTLET MODIFICATIONS**

<b>Meeting Date:</b>	<b>November 14, 2022</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item:</b>	<b>Protect Environmental Quality Program – Aquatic Resources Fisheries</b>
<b>Prepared By:</b>	<b>Maureen Hamilton, District Engineer</b>	<b>Cost Estimate:</b>	<b>\$35,000 (Reimbursable)</b>

**General Counsel Review:** N/A**Committee Recommendation:** 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.

**SUMMARY:** California American Water (Cal Am) is proposing to modify the existing low-level regulating outlet at the Los Padres Dam and Reservoir (Proposed Project). The Proposed Project is essential to reliably meet existing environmental mandates for sustaining aquatic organisms in the Carmel River and upstream fish passage at Los Padres Dam.

The Monterey Peninsula Water Management District (MPWMD) is the CEQA Lead Agency for the Proposed Project at Cal Am's request. The California Department of Water Resources Division of Safety of Dams (CA-DWR DSOD) and California Department of Fish and Wildlife declined to be CEQA Lead Agency due to staffing limitations.

The Proposed Project includes work within the Los Padres Reservoir and the Carmel River. There is no existing environmental documentation suitable for the Proposed Project work.

The CEQA Lead Agency work will be fully reimbursable by Cal Am. The work will be performed by MPWMD staff. A budget line item for the reimbursable work will be added during the mid-year budget process.

**RECOMMENDATION:** Staff recommends that the Board of Directors:

- a. Authorize MPWMD to act as CEQA Lead Agency for the Los Padres Dam Outlet Modification Project, and
- b. Authorize the General Manager to enter into a reimbursement agreement with Cal Am in the amount not-to-exceed \$35,000 for the Los Padres Dam Outlet Modification Project CEQA Lead Agency work.

**BACKGROUND:** The low-level flow regulating outlet (Outlet Works) consists of a 30-inch diameter pipe that penetrates through the western base of the dam. The Outlet Works functions include:

- 1) Providing a way to drain the reservoir in case of an emergency, decreasing potential for dam failure.
- 2) Suppling water to critical fish passage and instream flow infrastructure required to maintain Endangered Species Act listed species in the Carmel River. The low-level regulating outlet is the only permanent source of water that is operable throughout the full range of reservoir operating conditions.

Rockslides that occurred in 2018, 2019, and 2020 covered the existing lower outlet with debris, reducing the Outlet Works reliability and capacity. Despite several attempts by Cal Am contracted divers to clear the debris, the Outlet Works capacity remains diminished.

Failure of the system to function properly following the rockslide events necessitated implementation of interim measures to continue operation of the existing facilities. Interim measures include a combination of pumping, siphoning, and clearing debris from the outlet. These current interim measures are not sustainable over the full range of reservoir conditions. Additionally, the landslide potential in this area is expected to persist over time, and mitigation of the slope instability is infeasible as a potential solution.

The Proposed Project includes the following work:

1. Relocation of the Outlet Works' intake to a location outside of the projected rockfall hazard area.
2. A new underwater pipeline from the new intake to the existing outlet pipe.
3. Replacement of downstream outlet valves and the pipeline from the downstream outlet works to the fish trap.
4. Re-grading the access road on the north side of spillway bridge.

The reimbursement agreement would fund CEQA Lead Agency work for the Proposed Project. MPWMD staff has the capacity to perform the CEQA Lead Agency work.

## **EXHIBIT**

### **16-A Reimbursement Agreement for CEQA Lead Agency Work Required for Los Padres Dam Outlet Modifications**

**AGREEMENT BETWEEN THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND  
CALIFORNIA AMERICAN WATER COMPANY**

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**FOR REIMBURSEMENT OF EXPENSES FOR REVIEW AND PROCESSING  
OF CALIFORNIA-AMERICAN WATER COMPANY'S APPLICATION  
FOR REPAIRS AT LOS PADRES DAM**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of November 2022, by and between California American Water Company, hereinafter called "Cal-Am," and the Monterey Peninsula Water Management District, hereinafter called "MPWMD" or "District". Cal-Am and MPWMD may hereinafter individually be referred to as a "Party" or collectively as the "Parties."

**SECTION I  
SCOPE OF SERVICES**

This Agreement documents the obligation of Cal-Am to reimburse MPWMD for expenses necessarily and reasonably incurred by the District incident to tasks required for approval and administration of Cal-Am's Application for repairs at Los Padres Dam (the Project). As described in Exhibit A, MPWMD Task List, District activities covered by this Agreement include actions necessary to comply with the California Environmental Quality Act (CEQA) and District law.

**SECTION II  
REIMBURSEMENT**

**A. Fee Schedule**

1. For MPWMD Staff. Fees and costs payable to MPWMD by Cal-Am for services provided by MPWMD staff pursuant to this Agreement through completion of an action by the District under CEQA shall be in accordance with the schedule in Exhibit C, Fee Schedule.
2. For MPWMD Consultants. It is the District's understanding that Cal-Am intends to provide technical reports and environmental analysis for the District's use in

determining potential project impacts. Should it become necessary for additional independent third party analysis, fees and costs payable by Cal-Am to any consultant retained by MPWMD for work under this Agreement shall be in accordance with Exhibit A, as may be modified by the written agreement between the consultant and MPWMD; provided, however, that Cal-Am shall have no obligation for fees and costs for any consultants or others retained by MPWMD unless and until Cal-Am has agreed in writing to the retention of such consultant and has expressly agreed to pay that consultant's fees and costs.

3. Total Estimated Fees and Costs. The total estimated fees and costs to complete the Scope of Services as stated in Section 1 of this Agreement is \$ 35,000 . Prior to exceeding the total estimated fees and costs, MPWMD shall notify Cal-Am and provide an estimate of additional fees and costs necessary to complete the scope of services described in Section 1 of this Agreement. Cal-Am shall have no obligation for additional fees and costs unless and until Cal-Am has expressly agreed to pay for such additional fees and costs. In such event, MPWMD shall have no obligation to continue its efforts to review or act on the Project should Cal-Am refuse to pay those additional fees or costs.

B. Method of Payment

Cal-Am shall reimburse MPWMD for time and material spent for services. MPWMD shall invoice Cal-Am no more frequently than quarterly for work completed. Such invoice shall itemize all costs and expenses charged and include copies of all corresponding invoices received by the Water Management District and submit such electronically or by hard copy to:

California American Water  
J. Aman Gonzalez, Project Manager  
511 Forest Lodge Rd, Suite 100  
Pacific Grove, CA 93950

Julio.gonzalez@amwater.com

Payments are due and payable within forty-five (45) days of each invoice. In the event



Cal-Am disputes that any work performed or costs incurred is unsatisfactory or is inconsistent with tasks specified in Exhibit A, Cal-Am shall describe these deficiencies in writing to MPWMD within twenty (20) calendar days of receipt of the billing statement from MPWMD. Thereafter the dispute shall be resolved in accord with the Disputes Section below.

- C. The District shall use funds received pursuant to this Section exclusively as reimbursement for reasonable and necessary costs incurred to implement the tasks described in this Agreement as specified herein. The District shall pay all employees, contractors and other vendors in accordance with the contracts between such parties (including any collective bargaining agreements), California law, or both, as applicable.
- D. No reimbursement under this Agreement shall be made for work completed after issuance of a River Work Permit for the Project.

### SECTION III

#### INSPECTION OF WORK

This Section not applicable.

### SECTION IV

#### OWNERSHIP OF PERMITS AND WORK PRODUCT

- A. Permits. All permits obtained by reason of the efforts of the parties to this Agreement shall be sought and obtained in the name of California-American Water Company as the Applicant and permittee for each such permit and shall be owned exclusively by Cal-Am.
- B. Work Product. With (1) the exception of confidential work product (the term "confidential" shall have a meaning consistent with either the California Public Records Act or the Federal Freedom of Information Act) relating to any National Historic Preservation Act or Programmatic Agreement investigation, which shall remain wholly and exclusively owned by MPWMD, (2) all original documents, explanations of methods, maps, tables, reports, and all other documents, materials and work product (including drafts) prepared or obtained by and/or for MPWMD under or in connection with this Agreement shall be the joint property of both MPWMD and Cal-Am. Notwithstanding this provision, MPWMD shall be authorized by Cal-Am to destroy or

dispose of drafts as it deems appropriate. All reports (including all drafts of same) prepared by MPWMD and/or by any consultant under or in connection with this Agreement shall be prepared in a suitable electronic form and jointly owned by both parties to this Agreement.

## SECTION V

### TIME OF PERFORMANCE

Time is of the essence to this Agreement and each and all of its provisions in which performance is a factor, subject to the applicable professional standard of care. MPWMD and Cal-Am shall promptly inform each other in writing of events or factors affecting the performance of this Agreement that are beyond its control. Such factors could include but are not limited to MPWMD review time and/or local, state, or federal permitting agency review time.

## SECTION VI

### RESPONSIBILITIES

The MPWMD and Cal-Am shall meet on an as-needed basis throughout the term of this Agreement with the purpose of, among other things, ensuring that no activities performed by the MPWMD under this Agreement are duplicative of activities performed by Cal-Am or otherwise paid by Cal-Am's customers unless by its nature an activity requires a cooperative effort.

#### A. District Responsibilities

1. MPWMD shall, to the extent reasonable and practicable, cooperate with Cal-Am and each of Cal-Am's consultants in the performance of services hereunder.
2. Exhibit A Tasks. Subject to such reasonable extensions as may be agreed to in writing by Cal-Am, the District shall perform each of the Tasks specified in Exhibit A within the time frame specified for such Task, and otherwise as may be required to ensure compliance with the applicable environmental legislation.
3. Tasks to be performed by MPWMD Staff. District may use District's own staff, rather than consultants, to perform Tasks listed on Exhibit A for which District staff has the required expertise, provided however, that Cal-Am may tender its prior written objection and thereby require the retention and use outside consultants in

those circumstances where the outside consultant is both more qualified and less expensive than the MPWMD staff counterpart. Any dispute between the parties on this issue shall be resolved pursuant to the provisions of the Disputes Section of this Agreement.

4. Agency Meetings. MPWMD shall meet with such agencies or persons as shall be necessary or desirable in order to ensure that the purposes of this Agreement are fulfilled. MPWMD and Cal-Am shall each use their best efforts to provide reasonable advance notice of all planned meetings (including impromptu meetings if practicable) with public agency staff relating to the processing of permits or approvals. This provision, however, is to promote communication between the parties, and shall not cause any meeting to be delayed or canceled. MPWMD shall coordinate and arrange for all meetings required to be held with other agencies or persons hereunder, unless otherwise specified in Exhibit A.
5. In its performance of activities under this Agreement, the MPWMD shall act as independent contractor and the District and Cal-Am are not an agent or employee of the other. The MPWMD shall have exclusive and complete control over its employees.

B. Cal-Am Responsibilities.

Cal-Am shall, to the extent reasonable and practicable, cooperate with District and each of District's consultants in the performance of their services hereunder. Such cooperation shall include, but not necessarily be limited to: providing right to access work sites as required for District to perform or furnish services under this Agreement; providing relevant material available from Cal-Am's files such as maps, drawings as available, records, and operation and maintenance information, and payment of other required fees associated with the tasks required of District by this Agreement. Cal-Am and MPWMD shall each use their best efforts to provide reasonable advance notice of all planned meetings (including impromptu meetings if practicable) with public agency staff relating to the processing of permits or approvals. This provision, however, is to promote communication between the parties, and shall not cause any meeting to be delayed or canceled.

## SECTION VII

### INSURANCE

- A. The insurance requirements of this Section shall pertain to District, each of District's consultants, Cal-Am, and each of Cal-Am's consultants.
1. Each shall maintain worker's compensation and employers' liability insurance in accordance with the amount(s) and coverage(s) in the attached Exhibit B.
  2. Each shall maintain commercial general liability and automobile liability insurance protecting it against claims arising from bodily or personal injury or damage to property, including loss of use thereof, resulting from its operations and each of its consultants pursuant to this Agreement or from the use of its automobiles and equipment of or by each of its consultants. The amount( s) and coverage( s) shall be in accordance with Exhibit B.
  3. Each shall provide the other party with Certificates of Insurance evidencing the aforementioned coverage as additional insured and other evidence of coverage satisfactory to that party.

## SECTION VIII

### INDEMNIFICATION

To the fullest extent permitted under applicable laws, each Party shall indemnify and hold harmless the other Party, any parent or affiliate, and their respective directors, officers, agents and employees, and any of them (collectively, the "Indemnified Parties"), from and against all claims, damages, losses and expenses, direct, indirect or consequential (including, but not limited to, fees and charges of engineers, architects, attorneys and other professionals and court and arbitration or other dispute resolution costs) suffered or incurred by such other Indemnified Parties and arising out of, resulting from, or related in any way to any breach of this Agreement by the indemnifying Party, or any negligent act or omission or willful misconduct of such indemnifying Party in the performance of this Agreement, excepting therefrom any such claim, damage, loss or expense that is caused in whole or in part by any negligent act or omission or willful omission of the Indemnified Parties.

In any and all claims against a Party, any parent or affiliate, and their respective directors,

officer, agents and employees or any of them by any employee (or the survivor or personal representative of such employee) of the other Party, or any contractor, subcontractor, or supplier, or any person or organization directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under the prior paragraph shall not be limited in any way by any limitation of the amount or type of damages, compensation or benefits payable by or for the other Party or any such contractor, subcontractor, supplier or other person or organization under worker's compensation acts, disability benefit acts or other employee benefit acts.

## SECTION IX CHANGES AND CHANGED CONDITIONS

A change in the Tasks identified in **Exhibit A** may, subject to CalAm's express written approval, also result in a change in the reimbursement amount. Reimbursement changes shall be based upon the District's fee schedule. Any change agreed to shall be documented by duly executed amendments to this Agreement or other written means acceptable to both parties.

## SECTION X TERMINATION

### A. Termination Process.

Cal-Am may terminate the District's services under this Agreement at any time by written notice to the District at least thirty (30) days prior to the effective date of such termination. Upon receipt of written notice from Cal-Am that this Agreement is terminated, and subject to the Section II.A.3, the District shall submit to Cal-Am an invoice for an amount which represents the value of services actually performed to the date of said notice of termination for which it, and any subcontractor, has not previously been compensated. Upon approval and payment of this invoice, Cal-Am shall thereafter have no further monetary obligation which may arise by reason of this Agreement to the District or its consultants.

The MPWMD may terminate this agreement at its convenience by providing Cal-Am written notice, 90 calendar days prior to the proposed termination date such that Cal-Am can arrange for alternate performance.

### B. Effect of Termination.

In the event this Agreement is terminated by either party prior to completion of all tasks

determined by the District to be required under the California Environmental Quality Act or District law, both parties acknowledge and agree that the District's Responsibilities, as defined above, shall also terminate. In such event, MPWMD's ability to act as lead agency under CEQA, and/or its ability to process Cal-Am's application for MPWMD permits and other approvals may be impaired, and may provide cause for the denial of Cal-Am's application to MPWMD.

## SECTION XI

### DISPUTES

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

## SECTION XII

### NOTICES

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

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

California American Water J. Aman Gonzalez, Project Manager  
California American Water  
511 Forest Lodge Rd, Suite 100  
Pacific Grove, CA 93950

### SECTION XIII AMENDMENTS

This Agreement, together with Exhibits A, B, & C (see next paragraph) sets forth the entire understanding of the parties with respect to the subject matter of this Agreement. There are no other agreements expressed or implied, oral or written, except as set forth herein. This Agreement may not be amended except upon written amendment, executed by both parties to this Agreement.

### SECTION XIV ATTACHMENTS

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

Exhibit A – MPWMD Task List

Exhibit B – Insurance Coverage

Exhibit C – Fee Schedule

[CONTINUED ON FOLLOWING PAGE]

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

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**

---

**David J. Stoldt, General Manager**

Federal Tax ID No. 94-253335586

---

**Date**

**CALIFORNIA-AMERICAN WATER COMPANY**

---

**Date**



**Exhibit A – MPWMD Task List**

A precise schedule is not shown due to the need for interaction between the parties to this Agreement. Numbered tasks will be MPWMD responsibility. Not all tasks may be shown.

MPWMD to be responsible for numbered tasks.

1. Determine if project qualifies for CEQA Exemption based on project application materials
2. Prepare Initial Study and determine appropriate level of CEQA review
3. Coordinate with Cal-Am and Consultants on preparation of environmental documents

Tasks 1 and 2 are anticipated to take 30 to 45 days depending on length of the completed project application. Preparation of environmental documents will be the responsibility of CalAm and its Consultants.

4. Review environmental documents and provide feedback – 30 days after receipt of documents

Cal-Am and its Consultants will be responsible for preparing a Public Notice (PN) of intent to adopt a Negative Declaration or Mitigated Negative Declaration and for providing all copies of the environmental documents to the State Clearing House. CEQA describes the minimum time allowed for a comment period. Cal-Am and its Consultants will be responsible for responding to written comments and preparing a Mitigation and Monitoring Plan. If necessary, Cal-Am and its Consultants will coordinate meetings with other agencies with MPWMD staff in attendance to resolve project issues. Meetings to be online or in person.

5. After all comments are addressed, MPWMD will hold a Public Hearing – MPWMD staff will write a staff report, findings, and recommendations. Cal-Am and its Consultants will be asked to give a project presentation at the Public Hearing and be available to answer questions.

Cal-Am and its Consultants will be responsible for preparing a final environment document and filing appropriate notices with the State Clearing House.

6. Issue a River Work Permit – within 20 days of project approval.

**EXHIBIT B****INSURANCE REQUIREMENTS**

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

- B. The "Persons Insured" provision on each comprehensive general liability policy shall include as an additional insured the "Monterey Peninsula Water Management District, its officers, directors, agents and employees."
  - C. This policy shall contain a severability of interest clause or similar language to the following:  
  
"The insurance afforded applies separately to each insured against whom claim is made or suit is brought including claims made or suits brought by any persons included within the persons insured provision of the insurance against any other such person or organization."
  - D. All policies shall contain a provision that the insurance company shall give the District at least thirty (30) days prior written notice mailed to the address shown below prior to any cancellation, lapse or non-renewal. The 30-day written notice must be shown on all certificates of insurance.
  - E. Certificates of Insurance for the current policies shall be delivered by the Consultant to the Risk Manager for the District as verification that terms A, B, C and D have been met.
- V. All insurance correspondence, certificates, binders, etc., shall be mailed to:
- Monterey Peninsula Water Management District  
Attn: Administrative Services Manager  
5 Harris Court, Building G  
P.O. Box 85  
Monterey, CA 93942-0085
- VI. All policies carried by Cal-Am shall be primary coverage to any and all other policies that may be in force. The District shall not be responsible for payment of premiums due as a result of compliance with the terms and conditions of the insurance requirements.
  - VII. All such policies of insurance shall be issued by domestic United States insurance companies with general policy holders' rating of not less than "B" and admitted to do business in the State of California. The policies of insurance so carried shall be carried and maintained throughout the term of this Agreement.

## Exhibit C – Fee Schedule

<p style="text-align: center;"><b>Monterey Peninsula Water Management District</b></p> <p style="text-align: center;"><b>Schedule of Reimbursement Rates as of July 1, 2022</b></p>											
Employee	Job Title	Hourly Wage	Labor Overhead Percentage	Labor Overhead Amount	Hourly Benefits Amount	P/R Tax & W/C Ins Hourly Cost	Total Employee Cost Per Hour	Indirect Overhead Percentage	Indirect Overhead Amount	Total Calculated Hourly Rate	Rounded Billable Rate
Bennett	Accountant	44.14	0.1731	7.64	11.28	0.80	63.86	0.6254	39.94	103.79	103.00
GIS Contract	GIS Contract	0.00	0.1731	0.00	0.00	0.00	0.00	0.6254	0.00	0.00	0.00
HR Contract	HR Contract	0.00	0.1731	0.00	0.00	0.00	0.00	0.6254	0.00	0.00	0.00
Mossbacher	HR Coordinator/Contract Specialist	35.41	0.1731	6.13	10.56	0.64	52.73	0.6254	32.98	85.71	85.00
Silvas Robles	Accounting/Office Specialist	31.28	0.1731	5.41	10.21	0.56	47.46	0.6254	29.68	77.15	77.00
Prasad	Admin. Services Manager/CFO	94.84	0.1731	16.41	43.33	1.71	156.30	0.6254	97.75	254.04	254.00
Reyes	Senior Office Specialist	36.21	0.1731	6.27	21.42	0.65	64.54	0.6254	40.37	104.91	104.00
ITM	Information Technology Mgr.	0.00	0.1731	0.00	0.00	0.00	0.00	0.6254	0.00	0.00	0.00
Pablo	Executive Assistant	37.18	0.1731	6.43	10.71	0.67	54.99	0.6254	34.39	89.38	89.00
Stoldt	General Manager	125.49	0.1731	21.72	53.84	2.30	203.35	0.6254	127.17	330.52	330.00
Atkins	Environmental Program Specialist	38.99	0.1731	6.75	10.86	1.79	58.39	0.6254	36.52	94.91	94.00
Christensen	Environmental Resources Manager	72.28	0.1731	12.51	34.92	3.33	123.04	0.6254	76.95	200.00	199.00
Hamilton, M	Water Resources Engineer	67.12	0.1731	11.62	13.11	3.09	94.94	0.6254	59.38	154.32	154.00
Hampson	Interim/Temp District Eng.	78.03	0.1731	13.51	0.35	8.43	100.32	0.6254	62.74	163.06	163.00
Lumas	Resources Maintenance Specialist	36.23	0.1731	6.27	10.64	1.67	54.81	0.6254	34.28	89.09	89.00
PM	Project Manager	0.00	0.1731	0.00	0.00	0.00	0.00	0.6254	0.00	0.00	0.00
Bravo	Conservation Analyst	53.75	0.1731	9.30	28.01	0.97	92.03	0.6254	57.56	149.59	149.00
Osborn	Conservation Technician I	36.27	0.1731	6.28	3.05	0.66	46.26	0.6254	28.93	75.19	75.00
Kister	Conservation Analyst	53.75	0.1731	9.30	27.97	0.99	92.00	0.6254	57.54	149.54	149.00
Locke	Water Demand Manager	74.09	0.1731	12.82	35.60	1.36	123.87	0.6254	77.47	201.33	201.00
Smith	Conservation Rep II	47.53	0.1731	8.23	11.54	0.87	68.17	0.6254	42.64	110.81	110.00
Jakic	Conservation Rep I	43.04	0.1731	7.45	11.22	0.79	62.49	0.6254	39.08	101.57	101.00
Chaney	Associate Fisheries Biologist	51.16	0.1731	8.85	27.08	2.36	89.45	0.6254	55.94	145.39	145.00
Fish Crew Leader	Fish Crew Leader	44.00	0.1731	7.62	0.00	4.75	56.37	0.6254	35.25	91.62	91.00
Gallagher	Assistant Fisheries Biologist	16.25	0.1731	2.81	11.03	1.76	31.85	0.6254	19.92	51.76	51.00
Hamilton, C	Associate Fisheries Biologist	51.16	0.1731	8.85	27.02	2.36	89.38	0.6254	55.90	145.28	145.00
Lear	Water Resources Manager	83.83	0.1731	14.51	39.20	3.86	141.39	0.6254	88.43	229.82	229.00
Lindberg	Associate Hydrologist	56.47	0.1731	9.77	29.11	2.60	97.95	0.6254	61.26	159.21	159.00
Steinmetz	Assistant Hydrologist	39.08	0.1731	6.76	10.86	1.80	58.51	0.6254	36.59	95.10	95.00
Banker-Hix	Assistant Hydrologist	39.08	0.1731	6.76	10.86	1.80	58.51	0.6254	36.59	95.10	95.00
SFB	Senior Fisheries Biologist	0.00	0.1731	0.00	0.00	0.00	0.00	0.6254	0.00	0.00	0.00
WRA	Water Resources Assistant	14.75	0.1731	2.55	0.00	1.59	18.90	0.6254	11.82	30.71	30.00

[https://mpwmd-my.sharepoint.com/personal/mhamilton\\_mpwmd\\_net/Documents/Carmel River/Los Padres Dam/LPD\\_OutletMods/2022 LP Dam agreement\\_2022-11-02.docx](https://mpwmd-my.sharepoint.com/personal/mhamilton_mpwmd_net/Documents/Carmel River/Los Padres Dam/LPD_OutletMods/2022 LP Dam agreement_2022-11-02.docx)

**ITEM: DISCUSSION ITEM****17. DISCUSS MEETING FORMAT FOR DISTRICT BOARD AND COMMITTEE MEETINGS****Meeting Date: November 14, 2022****Budgeted: N/A****From: David J. Stoldt,  
General Manager****Program/ N/A  
Line Item No.:****Prepared By: Joel G. Pablo,  
Board Clerk****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 General Manager, District Counsel and Staff will discuss Laredo's memo dated October 26, 2022 related to updates and Review of Brown Act Teleconferencing Regulations and meeting format for District Board and Committee meetings.

**EXHIBIT**

**17-A** Review of Brown Act Teleconferencing Regulations Memorandum by David C. Laredo dated October 26, 2022






ATTORNEYS AT LAW

David C. Laredo  
Michael D. Laredo  
Frances M. Farina, Of Counsel


Telephone: 831.646.1502  
Facsimile: 831.646.0377

TO: David J. Stoldt, General Manager

FROM: David C. Laredo, General Counsel

DATE: October 26, 2022 

RE: Review of Brown Act Teleconferencing Regulations

Received on  
11/4/2022  
  
Joel B. Palacios

As of January 1, 2023, three separate laws take effect to regulate remote (teleconferencing) activities of public agencies pursuant to the Brown Act. These teleconferencing regulations are 1) traditional Brown Act rules, 2) AB 361 Emergency rules, and 3) AB 2449 limited Specific Scenario rules. This memo is intended to provide clarity as to how each of these regulations may be implemented.

### **Traditional Brown Act Teleconferencing Rules**

Teleconferencing has long been allowed pursuant to the Brown Act. The Brown Act allows a local agency to use any type of teleconferencing in connection with any meeting. (Gov't Code § 54953(b).) "Teleconference" is defined as "a meeting of individuals in different locations, connected by electronic means, through either audio or video, or both."

Government Code Section 54953(b) contains the following specific requirements:

- Teleconferencing may be used for all purposes during any meeting.
- At least a quorum of the public agency must participate from teleconferencing locations within the city's jurisdiction.
- Each teleconference location must be identified with specificity in the notice and agenda for the meeting.
- Agendas must be posted at each teleconference location.
- Each location, including teleconference locations, must be accessible to the public.
- The agenda must provide the opportunity for the public to address the legislative body directly at each teleconference location.
- All votes must be by roll call.

These rules form the baseline standard for teleconferencing under the Brown Act. If the criteria for AB 361 or AB 2449 cannot be met, the Traditional Teleconferencing rules set forth above shall apply.

### **Emergency Teleconferencing Rules (AB 361)**

Responding to the COVID-19 pandemic, the California Legislature enacted AB 361 to streamline requirements for teleconference/virtual meetings under the Brown Act. Importantly, AB 361 rules apply only during times of a declared emergency.

When a state of emergency is involved, a legislative body may hold teleconference meetings without meeting Traditional Brown Act procedural teleconferencing requirements (e.g., posting agendas at teleconference locations, identifying teleconference locations in the agenda, ensuring each teleconference location is open to the public) in the following circumstances:

- The meeting is held during a proclaimed state of emergency, and state/local officials have imposed or recommended measures to promote social distancing;
- The meeting is held during a proclaimed state of emergency for the purpose of determining whether meeting in person during the emergency would present imminent risks to the health or safety of attendees; and/or
- The meeting is held during a proclaimed state of emergency and the body has already determined that meeting in person during the emergency would present imminent risks to the health or safety of attendees.

If the body relies on the above findings to justify meeting by teleconference, it must also:

- Give the public notice as to how to access the meeting and how to offer public comment;
- Ensure that if access is disrupted during the online meeting, the body take no further action on agenda items until public access is restored;
- Avoid requiring public comments be submitted in advance, and provide a real-time option for the public to address the body at the meeting; and
- If the state of emergency remains active or social distancing measures continue to be imposed or recommended by state or local officials, the agency board shall make findings supporting the teleconference meetings at least every 30 days.

AB 361 remains in effect until Jan. 1, 2024, and local agencies may continue to make or renew remote meeting findings under that law as appropriate.

Crucially, on October 17<sup>th</sup>, 2022, ***Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023.*** To rely on AB 361 teleconference rules after that date, a separate declaration of emergency must be declared that includes the findings first set forth above.

### **Limited Specific Scenario Teleconferencing Rules (AB 2449)**

AB 2449 provides new teleconferencing rules available January 1, 2023. AB 2449 reaffirms the applicability of Traditional Brown Act teleconference rules, re-codifies rules set out in AB 361 for times of declared emergency, and also provides for relaxed teleconferencing rules in limited circumstances where a member of the legislative body needs to attend remotely for an emergency, or other reasons supported by “just cause.”

AB 2449 provides the legislative body may hold a “hybrid” (partial teleconference, partial in-person) meeting without having to comply with certain procedural requirements (e.g. posting agendas at teleconference locations, identifying teleconference locations in the agenda, or making all teleconference locations open to the public) in the following limited circumstances:

- One or more members of the legislative body (but less than a quorum) may provide “just cause” for not attending the meeting in person; or
- One or more members of the legislative body (but less than a quorum) may experience an



emergency circumstance.

AB 2449 defines “just cause” and “emergency circumstances” for the purposes of teleconferencing.

- “Just cause” is limited to one or more of the following: (i) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely; (ii) a contagious illness that prevents a member from attending in person; (iii) a need related to a physical or mental disability as defined by statute; or (iv) travel while on official business of the legislative body or another state or local agency.
- “Emergency circumstances” means a physical or family medical emergency that prevents a member from attending in person.

When a member requests relief for “just cause,” AB 2449 allows a member to provide notification as late as the start of a regular meeting of the local legislative body and the legislative body need not take action to allow the member to attend the meeting virtually under such circumstances. However, unlike a request for remote attendance for “just cause,” a request from a member to attend remotely due to an “emergency circumstance” requires the legislative body to approve the remote attendance at the start of that meeting; without board approval the member shall not be allowed to participate remotely at that meeting.

Members of any legislative body who wish to use one of the above exceptions should be sure to contact the agency’s legal counsel before attending a meeting remotely. AB 2449 imposes restrictions as to the number of times any one member may attend remotely each year under one of these exceptions. Further, a quorum of the body must still meet in-person, and the body must satisfy the following relaxed remote access rules:

- Provide either a two-way audio-visual system or a two-way phone service in addition to live webcasting;
- Identify a call-in or internet-based access option on the agenda, in addition to the in-person meeting location;
- Ensure that if transmission of the online meeting is disrupted, the body shall take no further action on agenda items until public access is restored; and
- Avoid requiring public comments to be submitted in advance and provide a real-time option for the public to address the body at the meeting.

In effect, AB 2449 offers an alternate teleconferencing option that allows a legislative body to use teleconferencing procedures without complying with the traditional teleconference agenda requirements in certain circumstances. However, the complexity of AB 2449’s teleconference scheme will make it difficult to administer. In practice, the similarities between “just cause” and “emergency circumstances” may make it difficult to determine which category should be used and whether facts support one process or the other. These practical implications are further obscured by AB 2449’s limitations on how frequently a member can teleconference under the statute. Importantly the Board Clerk must maintain a record of the number of times each Board member relies on the AB 2449 alternate attendance process, and whether the body approved the remote attendance for an “emergency circumstance.”

AB 2449’s rules remain in effect through 2025. After January 1, 2026, unless further legislation is adopted, only the Traditional Brown Act rules will remain in effect with respect to remote attendance issues.

### **Conclusion**

Brown Act teleconferencing rules continue to change and evolve. As it currently stands, on January 1, 2023, three separate regulations may be used to govern teleconferenced meetings – Traditional Brown Act rules, AB 361 Emergency rules, and AB 2449 limited Specific Scenario rules. Public Officials and Local agencies must work with Staff and legal Counsel to determine which rules apply when it plans to hold a teleconferenced (remote) meeting, and what records must be kept in each circumstance.

## Teleconference Rules Summary

	Traditional Rules	AB 361	AB 2449
<b>Effective Date</b>	Now	Now	January 1, 2023
<b>Sunset Date</b>	None	January 1, 2024	January 1, 2026
<b>Triggering Event</b>	None	<input type="checkbox"/> Meeting held during a proclaimed state of emergency and state/local officials have imposed/recommended measures to promote social distancing; and/or <input type="checkbox"/> Meeting held during a proclaimed state of emergency to determine whether meeting in person would present imminent risks to the health/safety of attendees; and/or <input type="checkbox"/> Meeting held during a proclaimed state of emergency and the body has already determined that meeting in person during the emergency would present imminent risks to the health or safety of attendees.	<input type="checkbox"/> Member (less than quorum) has “just cause” for not attending in person (childcare or family caregiving need, contagious illness, physical or mental disability need, or travel while on official public business); or <input type="checkbox"/> No Action required by Body <input type="checkbox"/> Member (less than quorum) experiences an emergency circumstance (a physical or family medical emergency that prevents in-person attendance). <input type="checkbox"/> Requires Body take action to approve remote attendance at the start of the meeting.
<b>Notice</b>	Post agendas at all teleconference locations.	Identify a call-in or internet-based access option on the agenda.	Identify a call-in or internet-based access option on the agenda, in addition to the in-person meeting location.
<b>Member Attendance</b>	A quorum of the body must participate from locations within the boundaries of the territory over which the local body exercises jurisdiction.	No requirement for quorum of in-person or in-jurisdiction members.  Members participating remotely may do so through audio/visual technology	A quorum of the body must be meeting in-person from locations within the boundaries of the territory over which the local body exercises jurisdiction.  Members participating remotely must do so through both audio and visual technology and must publicly disclose whether any individual over the age of 18 is present at the remote location with the member.
<b>Public Participation</b>	The agenda shall provide an opportunity for members of the public to address the legislative body directly at each teleconference location.	Provide a real-time option for the public to address the body at the meeting.  Ensure that if a disruption to the online meeting occurs, the body takes no further action on agendized items until public access is restored.	Provide a real-time option for the public to address the body at the meeting.  Ensure that if a disruption to the online meeting occurs, the body takes no further action on agendized items until public access is restored.
<b>Limitations</b>	None.	Body continues to make findings identifying the Emergency and supporting the teleconference meetings at least every 30 days.	A member may only teleconference for a limited number of meetings.  Procedure may not be used for a period of more than three consecutive months or 20% of the regular meetings within a calendar year, or more than two meetings if the legislative body meets fewer than 10 times per calendar year.
<b>Voting</b>	All votes must be made by rollcall.	All votes must be made by rollcall.	All votes must be made by rollcall.



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****18. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000**

**Meeting Date:** November 14, 2022                      **Budgeted:** N/A

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

**Prepared By:** Suresh Prasad                      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** The Finance and Administration Committee reviewed this item on November 7, 2022.

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

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**SUMMARY:** Attached for review is **Exhibit 18-A**, monthly status report on contracts over \$25,000 for the period July 2022. This status report is provided for information only, no action is required.

**EXHIBIT**

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



**EXHIBIT 18-A**

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**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period July 2022**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Expected Completion	Current Period Activity	P.O. Number
1	Rutan & Tucker, LLP	Measure J/Rule 19.8 Eminent Domain Phase 3	12/16/2019	\$ 175,000.00	\$ -		\$ -		PO03110
2	City of Sand City	IRWM Grant Reimbursement	3/28/2022	\$ 1,084,322.50	\$ 3,283.75		\$ 3,283.75	Current period billing for IRWM grant services	PO03093
3	Lynx Technologies, Inc	GIS Consultant Contract for 2022-2023	6/20/2022	\$ 35,000.00	\$ -	\$ 2,175.00	\$ 2,175.00	Current period billing for GIS services	PO03048
4	Regional Government Services	HR Contracted Services for FY 2022-2023	6/20/2022	\$ 35,000.00	\$ -	\$ 4,268.00	\$ 4,268.00	Current period billing for HR services	PO03047
5	Tyler Technologies	Incode Software Maintenance 09/2022-08/2023	6/20/2022	\$ 30,584.68	\$ -		\$ -		PO03044
6	Monterey One Water	PWM Expansion Project Amd #6	11/15/2021	\$ 1,200,000.00	\$ -	\$ 260,705.79	\$ 260,705.79	Current period billing for PWM Expansion related work	PO03042
7	Martin B. Feeney, PG, CHG	Installation of sampling pump in Paralta Test for RWQCB Permit Sampling	7/18/2022	\$ 30,000.00	\$ -		\$ -		PO03040
8	JEA & Associates	Legislative and Administrative Services - FY 2022-2023	7/18/2022	\$ 44,300.00	\$ -		\$ -		PO03037
9	The Ferguson Group LLC	Contract for Legislative Services for FY 2022-2023	7/18/2022	\$ 75,500.00	\$ -	\$ 6,061.40	\$ 6,061.40	Current period retainer billing	PO03036
10	DeVeera Inc.	IT Managed Services Contract FY 2022-2023	6/15/2020	\$ 60,480.00		\$ 5,040.00	\$ 5,040.00	Current period billing for IT managed services	PO03028
11	DeVeera Inc.	BDR Datto Services Contract FY 2022-2023	9/6/2019	\$ 26,352.00	\$ -	\$ 2,196.00	\$ 2,196.00	Current period billing for IT backup services	PO03027
12	DeVeera Inc.	Dell PE R740XD Series Server (2)	6/21/2021	\$ 60,000.00	\$ 45,873.53		\$ 45,873.53	Purchase of new servers as authorized by the Board	PO03025
13	CSC	Recording Fees	7/22/2022	\$ 50,000.00	\$ -		\$ -		PO03010
14	Montgomery & Associates	Annual Groundwater Modeling Support	6/20/2022	\$ 50,000.00	\$ -		\$ -		PO02984
15	Pueblo Water Resources, Inc.	ASR Operations Support	6/20/2022	\$ 75,000.00	\$ -		\$ -		PO02983
16	MBAS	ASR Water Quality FY 2022-2023	6/20/2022	\$ 40,000.00	\$ -		\$ -		PO02982
17	SDRMA	SDRMA 2022-2023 Property/Liability Premium	7/14/2022	\$ 173,321.00	\$ -	\$ 173,321.00	\$ 173,321.00	Annual payment of property/liability insurance	PO02976
18	SDRMA	SDRMA 2022-2023 Workers' Compensation Premium	7/14/2022	\$ 37,227.77	\$ -	\$ 37,227.77	\$ 37,227.77	Annual payment of w/comp insurance	PO02952
19	Monterey Peninsula Engineering	Install quarantine tanks at the Sleepy Hollow facility	3/21/2022	\$ 262,500.00	\$ -	\$ 227,855.12	\$ 227,855.12	Current period billing for Sleepy Hollow tank project	PO02967
20	Marina Coast Water District	IRWM Grant Reimbursement	3/28/2022	\$ 83,079.00	\$ 2,255.50		\$ 2,255.50		PO02947
21	City of Seaside	IRWM Grant Reimbursement	3/28/2022	\$ 578,987.90	\$ 33,303.32		\$ 33,303.32		PO02948
22	Telemetrix	Sleepy Operations Consultant TMX Contract	4/18/2022	\$ 26,000.00	\$ 25,522.00		\$ 25,522.00		PO02928
23	Lapkoff & Gobalet Demographic Research, Inc.	2021 MPWMD Redistricting	6/21/2021	\$ 52,000.00	\$ 47,500.00		\$ 47,500.00		PO02927
24	Montgomery & Associates	Annual Groundwater Modeling support	11/15/2021	\$ 50,000.00	\$ 17,586.00	\$ 2,673.00	\$ 20,259.00	Current period billing for groundwater monitoring support	PO02849
25	DUDEK	Grant administration services for the Proposition 1 IRWM Implementation	12/14/2020	\$ 114,960.00	\$ 20,972.50		\$ 20,972.50		PO02847
26	Shute, Mihaly & Weinberger LLP	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 160,000.00	\$ 91,104.21	\$ 51,545.56	\$ 142,649.77	Current period billing for LAFCO Measure J litigation services	PO02843
27	Reiff Manufacturing	Quarantine tanks with for the Sleepy Hollow steelhead facility	10/18/2022	\$ 48,000.00	\$ 40,350.00		\$ 40,350.00		PO02824

**Monterey Peninsula Water Management District**  
**Status on District Open Contracts (over \$25K)**  
**For The Period July 2022**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Expected Completion	Current Period Activity	P.O. Number
28	Psomas	Measure J/Rule 19.8 MPWMD Survey Services	9/20/2021	\$ 28,000.00	\$ 25,900.00		\$ 25,900.00		PO02791
29	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	6/21/2021	\$ 67,500.00	\$ 35,145.16	\$ 344.70	\$ 35,489.86	Current period billing for Sleepy Hollow engineering services	PO02693
30	DeVeera Inc.	Dell PE R740XD Series Server (2)	6/21/2021	\$ 60,000.00	\$ -		\$ -		PO02666
31	Zim Industries, Inc.	ASR 1 Rehabilitation	2/25/2021	\$ 113,350.00	\$ 106,277.25		\$ 106,277.25		PO02650
32	Pueblo Water Resources, Inc.	ASR Operations Support	6/21/2021	\$ 75,000.00	\$ 53,807.14	\$ 6,380.00	\$ 60,187.14	Current period billing for ASR support services	PO02630
33	Monterey One Water	PWM Deep Injection Well #4 Design/Construction	9/21/2020	\$ 4,070,000.00	\$ 1,109,051.76	\$ 483,993.03	\$ 1,593,044.79	Current period billing for PWM Expansion related work	PO02604
34	Goodin, MacBride, Squeri & Day, LLP	Legal Fee Related MPWSP	4/1/2021	\$ 50,000.00	\$ 29,848.31		\$ 29,848.31		PO02601
35	Local Agency Formation Commission (LAFCO) of Monterey County	Measure J/Rule 19.8 MPWMD LAFCO Application Proces	5/17/2021	\$ 232,800.00	\$ 210,584.62		\$ 210,584.62		PO02598
36	FISHBIO	Carmel River Fish Weir	8/17/2020	\$ 130,000.00	\$ 126,799.07		\$ 126,799.07		PO02586
37	Shute, Mihaly & Weinberger LLP	Measure J CEQA Litigation Legal Services	12/23/2020	\$ 200,000.00	\$ 140,933.56		\$ 140,933.56		PO02490
38	De Lay & Laredo	Measure J/Rule 19.8 3rd Party Operations Phase II	12/16/2019	\$ 87,000.00	\$ 18,690.50		\$ 18,690.50		PO02398
39	Weston Solutions, Inc.	UXO Support Services	6/15/2020	\$ 26,378.70	\$ 5,677.76		\$ 5,677.76		PO02371
40	Denise Duffy & Assoc. Inc.	CEQA addendum for ASR Parallel Pipeline	4/20/2020	\$ 28,567.00	\$ 25,970.44		\$ 25,970.44		PO02363
41	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/MAI Services	6/15/2020	\$ 120,000.00	\$ 76,032.00		\$ 76,032.00		PO02316
42	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Rate Study Phase II	12/16/2019	\$ 200,000.00	\$ 188,683.75		\$ 188,683.75		PO02282
43	De Lay & Laredo	Measure J/Rule 19.8 Operations Plan - Phase II	12/16/2019	\$ 145,000.00	\$ 62,077.50		\$ 62,077.50		PO02281
44	De Lay & Laredo	Measure J/Rule 19.8 CEQA Services Consultant	12/16/2019	\$ 134,928.00	\$ 134,779.54		\$ 134,779.54		PO02273
45	Rutan & Tucker, LLP	Rule 19.8 Eminent Domain Legal Services Phase II	12/16/2019	\$ 200,000.00	\$ 168,265.94		\$ 168,265.94		PO02236
46	Norton Rose Fulbright	Cal-Am Desal Structuring & Financing Order	4/20/2015	\$ 307,103.13	\$ 38,557.29		\$ 38,557.29		PO02197
47	Pueblo Water Resources, Inc.	ASR SMWTF Engineering Services During Construction	10/21/2019	\$ 148,100.00	\$ 142,709.87		\$ 142,709.87		PO02163
48	U.S. Bank Equipment Finance	Copier machine leasing - 60 months	7/15/2019	\$ 52,300.00	\$ 29,759.17	\$ 871.81	\$ 30,630.98	6/30/2024 Current period billing for photocopy machine lease	PO02108
49	Monterey One Water	Supplemental EIR Costs for PWM Expansion Project	3/18/2019	\$ 750,000.00	\$ 731,336.70		\$ 731,336.70		PO02095
50	Monterey One Water	Pre-Construction Costs for PWM Expansion Project	11/13/2017	\$ 360,000.00	\$ 312,617.94		\$ 312,617.94		PO02094
51	DUDEK	Consulting Services for Prop 1 grant proposal	4/15/2019	\$ 95,600.00	\$ 94,315.05		\$ 94,315.05		PO01986
52	Denise Duffy & Associates	Consulting Services IRWM plan update	12/17/2018	\$ 55,000.00	\$ 53,322.32		\$ 53,322.32		PO01985
53	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	7/16/2018	\$ 30,000.00	\$ 26,878.87		\$ 26,878.87		PO01880
54	Ecology Action of Santa Cruz	IRWM HEART Grant	4/16/2018	\$ 152,600.00	\$ 86,362.33		\$ 86,362.33		PO01824



**Monterey Peninsula Water Management District**  
**Status on District Open Contracts (over \$25K)**  
**For The Period July 2022**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Expected Completion	Current Period Activity	P.O. Number
55	Pueblo Water Resources, Inc.	ASR Backflush Basin Expansion, CM services	7/16/2018	\$ 96,034.00	\$ 68,919.39		\$ 68,919.39		PO01778
56	Rural Community Assistance Corporation	IRWM DAC Needs Assessment	4/16/2018	\$ 100,000.00	\$ 99,250.00		\$ 99,250.00		PO01777
57	Mercer-Fraser Company	Sleepy Hollow Intake upgrade project	7/16/2018	\$ 2,075,000.00	\$ 2,047,318.58		\$ 2,047,318.58		PO01726
58	Colantuono, Highsmith, & Whatley, PC	MPTA Legal Matter	7/1/2018	\$ 100,000.00	\$ 80,366.68	\$ 5,661.00	\$ 86,027.68	Current period billing for MPTA legal matter	PO01707
59	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 59,881.35	\$ 922.50	\$ 60,803.85	Current period billing for basin study	PO01628
60	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11		\$ 44,318.11		PO01510
61	Normandeau Associates, Inc.	Assistance with IFIM Study	11/13/2017	\$ 35,000.00	\$ 31,482.50		\$ 31,482.50		PO01509
62	Balance Hydrologics, Inc	Design Work for San Carlos Restoration Project	6/19/2017	\$ 51,360.00	\$ 50,894.32		\$ 50,894.32		PO01321
63	AECOM Technical Services, Inc.	Los Padres Dam Alternatives Study	1/25/2017	\$ 794,920.00	\$ 720,746.94		\$ 720,746.94		PO01268
64	Denise Duffy & Assoc. Inc.	MMRP Services for Monterey Pipeline	1/25/2017	\$ 80,000.00	\$ 73,144.06		\$ 73,144.06		PO01202
65	Goodin, MacBride, Squeri, Day, Lamprey	User Fee PUC Proceedings Legal Fee	7/1/2016	\$ 50,000.00	\$ 49,318.05		\$ 49,318.05	6/30/2022	PO01100
66	Whitson Engineers	Carmel River Thawleg Survey	9/19/2018	\$ 52,727.43	\$ 49,715.00		\$ 49,715.00		PO01076
67	HDR Engineering, Inc.	Los Padres Dam Fish Passage Study	4/18/2016	\$ 320,000.00	\$ 316,085.56		\$ 316,085.56		PO01072
68	Michael Hutnak	GS Flow Modeling for Water Resources Planning	8/19/2013	\$ 71,800.00	\$ 65,880.00		\$ 65,880.00		PO00123
69	Justin Huntington	GS Flow Modeling for Water Resources Planning	8/19/2013	\$ 59,480.00	\$ 53,918.98		\$ 53,918.98		PO00122



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****19. STATUS REPORT ON MEASURE J/RULE 19.8 PHASE II SPENDING**

**Meeting Date:** November 14, 2022                      **Budgeted:** N/A

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

**Prepared By:** Suresh Prasad                      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** The Finance and Administration Committee reviewed this item on November 7, 2022.

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

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**SUMMARY:** Attached for review is **Exhibit 19-A**, monthly status report on Measure J/Rule 19.8 Phase II spending for the period July 2022. This status report is provided for information only, no action is required.

**EXHIBIT****19-A** Status on Measure J/Rule 19.8 Phase II Spending



**Monterey Peninsula Water Management District  
Status on Measure J/Rule 19.8 Spending Phase II  
Through July 2022**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract/Approved Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/16/2019	\$ 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	12/16/2019	\$ 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	\$ 160,356.66	\$ 1,897.50	\$ 162,254.16	\$ (122,254.16)	PA00005-05
6	MAI Appraiser	12/16/2019	\$ 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	12/16/2019	\$ 240,000.00	\$ 217,784.62		\$ 217,784.62	\$ 22,215.38	PA00005-08
8	PSOMAS	9/20/2021	\$ 28,000.00	\$ 25,308.49		\$ 25,308.49	\$ 2,691.51	PA00005-09
9	Contingency/Miscellaneous/Uncommitted	12/16/2019	\$ 289,072.00	\$ 39,253.59	\$ 45.00	\$ 39,298.59	\$ 249,773.41	PA00005-20
	<b>Total</b>		<b>\$ 1,909,000.00</b>	<b>\$ 1,192,301.95</b>	<b>\$ 1,942.50</b>	<b>\$ 1,194,244.45</b>	<b>\$ 714,755.55</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	\$ 110,000.00	\$ 91,104.21	\$ 14,808.06	\$ 105,912.27	\$ 4,087.73	PA00005-16
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**Phase I Costs**  
**Status on Measure J/Rule 19.8 Spending**  
**Through November 2019**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract 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	\$ 148,802.21	\$ 12,195.95	\$ 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 Consulta	2/21/2019	\$ 355,000.00	\$ 247,690.63	\$ 39,274.54	\$ 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	\$ 33,763.61	\$ 8,133.98	\$ 41,897.59	\$ (6,897.59)	PA00002-05
6	Contingency/Miscellaneous		\$ 30,000.00	\$ 9,931.83	\$ 33,814.12	\$ 43,745.95	\$ (13,745.95)	PA00002-10
	<b>Total</b>		<b>\$ 650,000.00</b>	<b>\$ 524,409.97</b>	<b>\$ 120,418.59</b>	<b>\$ 644,828.56</b>	<b>\$ 5,171.44</b>	

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****20. LETTERS RECEIVED AND SENT****Meeting Date:** November 14, 2022**Budgeted:** N/A**From:** David J. Stoldt,  
General Manager**Program/** N/A  
**Line Item No.:****Prepared By:** Joel G. Pablo**Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

A list of letters sent by and/or received by the Board Chair and/or General Manager between October 12, 2022 and November 8, 2022 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
<b>Melodie Chrislock</b>	Board of Directors and General Manager	October 14, 2022	Letters to the Editor Opposing Cal Am's Desal – September 28 to October 7, 2022
<b>Hans Uslar</b>	General Manager	October 17, 2022	Copy of Executed Compensation Agreement and Notice of Intent to Dissolve of Successor Agency to the Redevelopment Agency of the City of Monterey
<b>Winston P. Stromberg</b>	Board of Directors and General Manager	October 17, 2022	MPWMD Board of Director's October 17, 2022 Special and Regular Meeting, Item No. 8: Resolution No. 2022-31
<b>Michael Baer</b>	Board of Directors	October 17, 2022	E-mail Communication from Baer to Luster, re: California American Water Coastal Development Permit
<b>Charles McKee</b>	Board of Directors	October 17, 2022	COVID-19 State of Emergency to End on February 28, 2023

<b>Michael Baer</b>	Board of Directors	October 18, 2022	Cost Estimates to CalAm's Desalination Plant
<b>Michael T. Briley</b>	General Manager	October 21, 2022	CliftonLarsonAllen, LLP Acquisition of Hayashi Wayland
<b>Mike Scheafer</b>	Board of Directors	October 14, 2022	No Paid Property / Liability Claims in 2021-22
<b>Wandzia Rose</b>	Board of Directors	October 25, 2022	No Desal Needed!
<b>Rick Heuer</b>	David J. Stoldt	October 27, 2022	Nomination of John Tilley as MPTA Representative on the Ordinance No. 152 Oversight Panel
<b>David J. Stoldt</b>	Mr. John Ainsworth	November 1, 2022	Cal-Am's CDP Application #9-20-0603
<b>California Coastal Commission</b>	Board of Directors and General Manager	November 4, 2022	Public Hearing Notice from the CA Coastal Commission on Thursday, November 17, 2022



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

**Meeting Date:** November 14, 2022      **Budgeted:** N/A

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

**Prepared By:** Joel G. Pablo      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

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

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Attached for your review as **Exhibits 21-A** and **21-B** are the Final Minutes of the committee meetings listed below.

**EXHIBITS**

**21-A** MPWMD Ordinance No.152 Citizen's Oversight Panel: May 12, 2021

**21-B** MPWMD Finance and Administration Committee: September 12, 2022





## **EXHIBIT 21-A**

### *Final Minutes*

### **Ordinance No. 152 Citizen's Oversight Panel of the Monterey Peninsula Water Management District May 12, 2022**

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

**Call to Order**            David J. Stoldt, General Manager / Chair to the Panel called the meeting to order  
at 12:00 p.m.

### **Roll Call**

#### **Committee Members Present:**

Susan Schiavone (Left at 1:12 p.m.)  
Jason Campbell (Joined at 12:09 p.m.)  
Bill Peake  
Melodie Chrislock (Joined at 12:30 p.m.;  
Left at 1:04 p.m.)  
Marli Melton  
Adam Pinterits  
John Tilley

#### **MPWMD Staff members present:**

David J. Stoldt, General Manager / Chair to the Panel  
Suresh Prasad, Administrative Services Manager/CFO  
  
Joel G. Pablo, Board Clerk

#### **District Counsel Present:**

David C. Laredo and Fran Farina with De Lay and  
Laredo

#### **Committee Members Absent:**

Mike Rachel and Kevan Urquhart

#### **Comments from the Public:**

*No comments were directed to the Committee.*

### **Action Items**

- 1. Consider Adoption of the Committee Meeting Minutes from October 13, 2021 (Amended) and January 14, 2022**

Chair Stoldt introduced the matter.

*Opened Public Comment; No public comments were directed to the committee for Item No. 1.*

A motion was offered by Tilley with a second by Schiavone to approve the committee meeting minutes from October 13, 2021 (Amended) and January 14, 2022. The motion passed on a roll-call vote of 5-Ayes (Schiavone, Melton, Peake, Pinterits and Tilley), 4-Absent (Campbell, Chrislock, Rachel and Urquhart) and 0-Noes.

**2. Discuss and Determine the Frequency of Ordinance No. 152 Citizen’s Oversight Panel Meetings**

Stoldt informed the Committee the Board of Directors at its January and March 2022 meeting discussed streamlining various District committee meetings, committee meeting frequency and eliminating inactive committees. He presented and voiced support for the Board’s recommendation for the Ordinance No. 152 Citizen’s Oversight Panel to meet from four (4) to three (3) times per year, or as needed. *In response to a question raised by Tilley*, Stoldt commented the “as needed” verbiage can be found in Ordinance No. 152. Tilley shared he would like for the Panel to continue meeting quarterly or four times per year. He requested for a draft of the Ordinance No. 152 Citizen’s Oversight Panel Annual Report (report) to be presented before the Panel at least one month prior to being due before the full Board to allow for review, to allow for editorial changes to be had and to reflect at least 11 months of work being reported on. Discussion ensued with comments made by Tilley, Pinterits, Schiavone, Campbell and Melton, *respectively* general consensus was reached.

Committee Consensus

By consensus, the committee agreed to continue to meet four times a year and directed staff to draft a set of revisions to the Panel’s charge to ensure future meeting dates of the panel align with preparing a draft of the report and presenting it to the full board a month in advance.

*Chair Stoldt opened Public Comment; No public comments received for Item No. 2.*

**Discussion Items**

**3. Review of Revenue and Expenditures of Water Supply Charge Related to Water Supply Projects**

Suresh Prasad, Administrative Services Manager/Chief Financial Officer briefly covered Exhibit 3-A through 3-C, answered committee questions and provided the following highlights under each:

A. Exhibit 3-A: Water Supply Charge Receipts

1. Under Fiscal Year (FY) 2021-22 Unaudited Actuals thru March 31, 2022:
  - a. 59.7% of Water Supply Charge receipts received

B. Exhibit 3-B: Water Supply Charge Availability Analysis

1. Under FY 2021-22 Unaudited Actuals thru March 31, 2022:
  - a. Total Revenues: ≈ \$12.2 million
  - b. Total Expenditures ≈ \$11.6 million

C. Exhibit 3-C: Water Supply Charge Report – Water Supply Fund

1. Cumulatively, and for the last 10 years the Water Supply Charge’s running deficit is approximately \$11.2 million and would take 2 to 3 cycles to bring the deficit down to a zero balance.

Mayor Peake requested a list of where the debt is owed and to who. Stoldt acknowledged Peake’s request.

*Opened Public Comment; No public comment received on Item No. 3.*

**4. Direction from Court of MPTA (“Taxpayers”) Lawsuit (Verbal Report)**

David C. Laredo, District Counsel provided background information on the MPTA lawsuit and informed the Committee that the District Board of Director’s directed staff to file an appellate writ with the Appellate Court following Judge Panetta’s overruling on the District’s Demurrer in mid-February 2022. Laredo mentioned the next step is to wait for a determination on the District’s writ either an acceptance by the Appellate Court or a denial, *effectively returning the matter back to Judge Panetta at the trial court level.*

*Opened Public Comment; No public comment received on Item No. 4.*

**5. Draft District Budget for FY2022-23**

David J. Stoldt, General Manager stated staff will: (1) finalize its draft budget for the District for FY 2022-23 for the Budget Workshop set for May 26, 2022; and (2) produce and distribute a Water Supply Project list to committee members for the upcoming year.

*Opened Public Comment; No public comment received on Item No. 5.*

**Other Items**

**6. Water Supply Project Update**

David J. Stoldt, Chair/General Manager provided a verbal status report on Water Supply Projects, answered committee questions, and made the following highlights:

**A. Pure Water Monterey – Expansion**

**1. Application before the California Public Utilities Commission**

- a. *Phase 1:* Approval of the Amended and Restated Water Purchasing Agreement among California American Water, Monterey One Water, and the Monterey Peninsula Water Management District. A decision on Phase 1 of the application is anticipated to occur in September 2022.
- b. *Phase 2:* Involves reevaluating long-term water supply and demand numbers which may provide additional insight on CalAm’s Monterey Peninsula Water Supply Project (desalination) for the CPUC. Stoldt projects a decision on Phase 2 of the application a proposed decision to be released in January 2023.

**B. Pure Water Monterey – Base**

1. Stoldt provided an update on Aquifer Storage and Recovery Well No. 1. In April 2022, 368 AF injected or 4,300 AF/year and has shown to outperform the contractual obligations with California American Water. Due to travel times, Pure Water Monterey partners have made ASR No. 1 inactive as a production well and informed the panel there are remedial solutions to provide water to the company.

*Opened Public Comment; No public comment received on Item No. 6.*

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

**Mayor Peake:** Requested to see charts or visual representations on project revenues vs. expenditures for water supply projects to include:

1. Pure Water Monterey
2. Purchases and Sales
3. Reimbursement Projects or Project Reimbursements

Time Period to include either the: (1) last two or three years; OR (2) last two years and for the projected year to include revenue vs. expenses by project.

*Goal is to better understand the financial trajectory of the Water Supply Charge Related to Water Supply Projects.*

**Jason Campbell:** Requested for Stoldt to provide a historical overview on the water system and as previously presented at a past meeting of the Ordinance No. 152 Citizen’s Oversight Panel.

**ADJOURNMENT:** There being no further business, Chair Stoldt adjourned the meeting at 1:20 p.m.

/ s/ Joel G. Pablo

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Joel G. Pablo, Board Clerk to the  
*MPWMD Ordinance No. 152 Citizen’s Oversight Panel*

Approved by the MPWMD Ordinance No. 152 Citizen’s Oversight Panel on October 19, 2022  
Received by the MPWMD Board of Director’s on November 17, 2022

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## **EXHIBIT 21-B**

### **FINAL MINUTES**

#### **Monterey Peninsula Water Management District Finance and Administration Committee September 12, 2022**

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

#### **Call to Order**

The virtual meeting was called to order at 2:00 PM via Zoom.

Committee members present: Amy Anderson, Chair  
Alvin Edwards  
Karen Paull

Committee members absent: None

District staff members present: David Stoldt, General Manager  
Suresh Prasad, Administrative Services Manager/Chief Financial Officer  
Jonathan Lear, Water Resources Manager  
Simona Mossbacher, HR Coordinator/Contract Specialist  
Sara Reyes, Sr. Office Specialist

District Counsel present: David Laredo with De Lay and Laredo

**Additions / Corrections to Agenda: None**

**Comments from the Public: None**

#### **Items on Board Agenda for September 19, 2022**

##### **1. Consider Adoption of July 11, 2022 Committee Meeting Minutes**

On a motion by Edwards and second by Paull, the minutes of the July 11, 2022 meeting were approved on a roll call vote of 3 – 0 by Edwards, Paull and Anderson.

##### **2. Consider Adding the Position of District Engineer to the District's Organization Chart**

On a motion by Edwards and second by Anderson, the Finance and Administration Committee recommended that the Board authorize staff to add the District Engineer position to the District's current organization chart and associated salary range. The motion was approved on a roll call vote of 3 – 0 by Paull, Edwards, and Anderson.

##### **3. Consider Adding the Position of Public Outreach Coordinator/Public Outreach Specialist to the District's Organization Chart**

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

recommended that the Board authorize staff to add the Public Outreach Coordinator/Public Outreach Specialist position to the District's current organization chart and associated salary range. The motion was approved on a roll call vote of 3 – 0 by Paull, Edwards, and Anderson.

**4. Approve Budget for Outside Consultant for Public Outreach Services**

On a motion by Edwards and seconded by Paull, the Finance and Administration Committee recommended the Board approve a contract budget with a monthly retainer of no more than \$8,000. The motion was approved on a roll call vote of 3 – 0 by Edwards, Paull and Anderson.

**5. Declaration of Surplus Assets**

On a motion by Edwards and seconded by Anderson, the Finance and Administration Committee recommended the Board declare the items listed on Exhibit 5 -A as surplus assets to be either donated or disposed at the Monterey Regional Waste Management District. The motion was approved on a roll call vote of 3 – 0 by Edwards, Anderson and Paull.

**6. Consider Adoption of Treasurer's Report for June 2022**

On a motion by Edwards and second by Anderson, the Finance and Administration Committee recommended the Board adopt the June 2022 Treasurer's Report and financial statements, and ratification of the disbursements made during the month. The motion was approved on a roll call vote of 3 – 0 by Edwards, Anderson and Paull.

**7. Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2021-2022**

On a motion by Anderson and second by Paull, the Finance and Administration Committee recommended that the Board receive and file the Fourth Quarter Financial Activity Report for Fiscal Year 2021-2022. The motion was approved on a roll call vote of 3 – 0 by Paull, Edwards, and Anderson.

**8. Consider Approval of Fourth Quarter Fiscal Year 2021-2022 Investment Report**

On a motion by Paull and second by Edwards, the Finance and Administration Committee recommended that the Board approve the Fourth Quarter Fiscal Year 2021-2022 Investment Report. The motion was approved on a roll call vote of 3 – 0 by Paull, Edwards, and Anderson.

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

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

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

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

**11. Review Fourth Quarter Legal Services Activity Report for Fiscal Year 2021-2022**

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

**12. Review Draft September 19, 2022 Regular Board Meeting Agenda**

The committee reviewed the agenda and suggested modifying the title and action to be taken for Item 16 on the Draft agenda.

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



Director Edwards asked for an item to discuss costs for a Coastal Commission Lobbyist.

**Adjournment**

The meeting adjourned at 3:05 PM.

/ s/ Sara Reyes

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Sara Reyes, Sr. Office Specialist to the  
*MPWMD Finance and Administration Committee*

Approved by the MPWMD Finance and Administration Committee on November 7, 2022

Received by the MPWMD Board of Director's on November 17, 2022

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**ITEM: INFORMATIONAL ITEM/STAFF REPORT****22. MONTHLY ALLOCATION REPORT****Meeting Date:** November 14, 2022 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program:** N/A  
**Line Item No.:****Prepared By:** Gabriela Bravo **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

**SUMMARY:** As of October 31, 2022, a total of **26.471** acre-feet (**7.8%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **31.813** acre-feet is available to the Jurisdictions, and **28.333** acre-feet is available as public water credits.

**Exhibit 22-A** shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in October 2022 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in October 2022.

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

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



**EXHIBIT 22-A**  
**MONTHLY ALLOCATION REPORT**  
**Reported in Acre-Feet**  
**For the month of October 2022**

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	23.373	23.373
<b>Seaside</b>	65.450	0.000	0.000	34.438	0.097	30.185	2.693	0.000	1.144	31.329
<b>District Reserve</b>	9.000	0.000	9.000	N/A			N/A			9.000
<b>TOTALS</b>	<b>342.720</b>	<b>0.000</b>	<b>26.471</b>	<b>101.946</b>	<b>0.097</b>	<b>31.813</b>	<b>90.142</b>	<b>0.000</b>	<b>28.333</b>	<b>86.617</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	9.892	2.868

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



**EXHIBIT 22-B**  
**MONTHLY ALLOCATION REPORT**  
**ENTITLEMENTS**  
**Reported in Acre-Feet**  
**For the month of October 2022**

**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>	200.710	0.610	32.282	168.428
<b>Del Monte Forest Benefited Properties (Pursuant to Ord No. 109)</b>	164.290	0.114	70.570	93.720
<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>0.724</b>	<b>117.681</b>	<b>262.319</b>

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
<b>City of Sand City</b>	206.000	0.000	7.946	198.054
<b>Malpaso Water Company</b>	80.000	0.134	21.282	58.718
<b>D.B.O. Development No. 30</b>	13.950	0.000	3.784	10.166
<b>City of Pacific Grove</b>	38.390	0.139	8.111	30.279
<b>Cypress Pacific</b>	3.170	0.000	3.170	0.000

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





## **EXHIBIT 22-C**

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

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

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

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

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****23. WATER CONSERVATION PROGRAM REPORT****Meeting Date:** November 21, 2022 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/  
Line Item No.** N/A**Prepared By:** Kyle Smith **Cost Estimate:** N/A**General Counsel Recommendation:** 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.**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 **71** property transfers that occurred between October 1, 2022, and October 31, 2022, were added to the database.

**B. Certification**

The District received **87** WCCs between October 1, 2022, and October 31, 2022. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

**C. Verification**

From October 1, 2022, and October 31, 2022, **76** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **76** verifications, **54** properties verified compliance by submitting certification forms and/or receipts. District staff completed **36** Site inspections. Of the **36** properties verified, **22 (61%)** 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 October, District inspectors performed **four** 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 October 2022, MPWMD referred **no** properties to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waste occurrences at [www.mpwmd.net](http://www.mpwmd.net) or [www.montereywaterinfo.org](http://www.montereywaterinfo.org). There were **13** 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 **39** Water Permits from October 1, 2022, and October 31, 2022. **Seven** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpasos Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account. In addition to those Water Permits issued in October, **five** Meter Permits and **six** 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 **39** Water Permits issued from October 1, 2022, and October 31, 2022, **four** were issued under this provision.

B. Permit Compliance

District staff completed **no** conditional Water Permit finals during October 2022. Staff completed **48** site inspections. **Twenty** properties passed and **11** 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 **53** 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 October 2022.

REBATE PROGRAM SUMMARY		October-2022				2022 YTD			
I.	Application Summary								
A.	Applications Received	87				695			
B.	Applications Approved	61				585			
C.	Single Family Applications	59				550			
D.	Multi-Family Applications	2				37			
E.	Non-Residential Applications	0				2			
II.	Type of Devices Rebated	Number of Devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid		
A.	High Efficiency Toilet (HET)	17	\$1,275.00	0.085000	27,697	109	\$7,650.00		
B.	Ultra HET			0.000000	0	30	\$3,600.00		
C.	Toilet Flapper			0.000000	0	1	\$15.00		
D.	High Efficiency Dishwasher	19	\$2,375.00	0.057000	18,574	113	\$16,325.00		
E.	High Efficiency Clothes Washer - Res	25	\$12,500.00	0.402500	131,155	293	\$146,170.60		
F.	High Efficiency Clothes Washer - Com			0.000000	0	0	\$525.00		
G.	Instant-Access Hot Water System	1	\$200.00	0.005000	1,629	11	\$2,097.00		
H.	Zero Use Urinals			0.000000	0	0	\$0.00		
I.	Pint Urinals			0.000000	0	0	\$0.00		
J.	Cisterns			0.000000	0	22	\$31,691.00		
K.	Smart Controllers	1	\$54.97	0.000000	0	20	\$1,920.72		
L.	Rotating Sprinkler Nozzles			0.000000	0	0	\$0.00		
M.	Moisture Sensors			0.000000	0	1	\$25.00		
N.	Lawn Removal & Replacement			0.000000	0	0	\$900.00		
O.	Graywater			0.000000	0	0	\$0.00		
R.	Other - Smart Flowmeter	4	\$746.00	0.000000	0	30	\$5,551.00		
III.	TOTALS	67	\$17,150.97	0.549500	179,055	630	\$216,470.32		
IV.	TOTALS Since 1997				Paid Since 1997:	\$ 6,575,225	598.2 Acre-Feet Saved Since 1997 (from quantifiable retrofits)		



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****24. CARMEL RIVER FISHERY REPORT FOR OCTOBER 2022****Meeting Date: November 14, 2022 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:** October remained dry with the river front in the Robinson Canyon Bridge reach in Mid-Valley. Releases from Los Padres Reservoir remained at 4.0 cfs and the reservoir's water surface elevation (WSE) dropped to 1,012 feet (full is ~1,040'). Steelhead rearing conditions downstream of Rosie's Bridge in the Village were generally "poor".

October's mean daily streamflow at the Sleepy Hollow Weir ranged from 2.4 to 2.9 cfs (monthly mean 2.66 cfs) resulting in 158 acre-feet (AF) of runoff, while the Highway 1 gage was dry.

There were 0.00 inches of rain in October as recorded at the San Clemente gauge. The rainfall total for WY 2023 (which started October 1, 2022) is 0.0 inches, or 0% of the long-term year-to-date average of 0.76 inches.

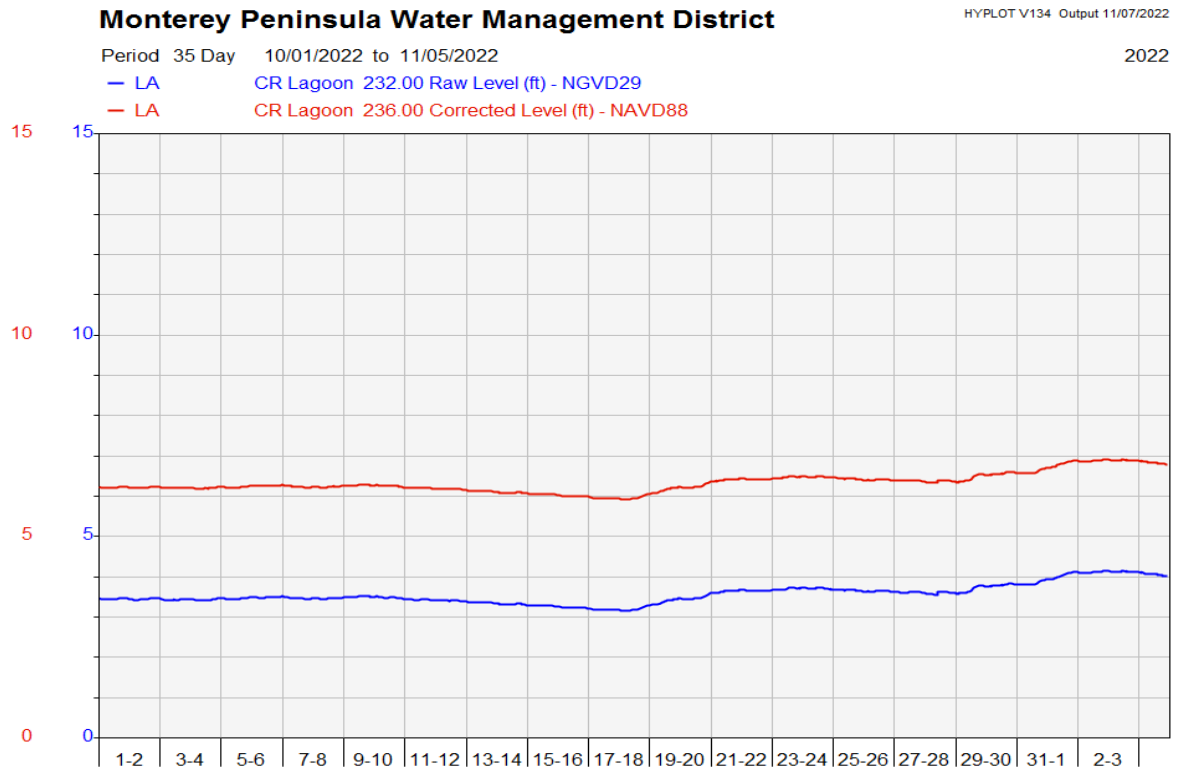
**CARMEL RIVER LAGOON:** During October, the lagoon water surface elevation (WSE) rose to ~ 6.9 feet (North American Vertical Datum of 1988; NAVD 88) (See graph below).

Water quality depth-profiles were conducted at five sites on October 28, 2022, while the lagoon mouth was closed, water surface elevation was 6.4 feet, and river inflow was zero. Steelhead rearing conditions were generally "fair" as salinity levels were low, water temperatures were less than 60 degrees F, and dissolved oxygen (DO) levels were variable.

**MONITORING:** Fisheries staff completed the annual juvenile steelhead population surveys and habitat embeddedness sampling. Benthic macroinvertebrate sampling will take place in early November. Results will be presented in the annual mitigation report in 2023.

**SLEEPY HOLLOW STEELHEAD REARING FACILITY:** The first rescued fish were brought to the facility June 1, 2022. Through the end of October, a total of 10,645 fish have been stocked in the rearing channel including: 9,928 (small/medium size YOY) and 717 age 1+ fish. There have been 1,047 mortalities (10%).

Carmel River Lagoon Plot:





**ITEM: INFORMATIONAL ITEM/STAFF REPORT****25. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT**

**Meeting Date:** November 14, 2022      **Budgeted:** N/A

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

**Prepared By:** Jonathan Lear      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

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

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**Exhibit 25-A** shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **November 1, 2022**. This system includes the surface water resources in the Carmel River Basin, the groundwater resources in the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. **Exhibit 25-A** is for Water Year (WY) 2023 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 **October** 2022 totaled **0.00 inches** and brings the cumulative rainfall total for WY 2023 to **0.00 inches**, which is **0%** of the long-term average through **October**. Estimated unimpaired runoff through **October** totaled **0 acre-feet (AF)** and brings the cumulative runoff total for WY 2023 to **0 AF**, which is **0%** of the long-term average through **October**. Usable storage for the MRWPRS was **25,180 acre-feet**, which is **92%** of average through **October**, and equates to **76%** 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 2023. Through **October**, using the CDO accounting method, Cal-Am has produced **269 AF** from the Carmel River (excluding **0 AF** of Table 13 and **7 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 2023. Through **October**, Cal-Am has produced **105 AF** from the Seaside Groundwater Basin. Through **October**, **0 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **0 AF** have been recovered for customer use, **0 AF** have been diverted under Table 13 water rights, and **405 AF** of Pure Water Monterey recovered. Cal-Am has produced **805 AF** for customer use from all sources through **October**. **Exhibit 25-B** shows production by source. Some of the values in this report may be revised in the future as Cal-Am finalizes their production values and monitoring data.

**EXHIBITS**

**25-A** Water Supply Status: **November 1, 2022**

**25-B** Monthly Cal-Am production by source: WY 2023



**EXHIBIT 25-A**

**Monterey Peninsula Water Management District  
Water Supply Status  
November 1, 2022**

<b>Factor</b>	<b>Oct 2022</b>	<b>Average To Date</b>	<b>Percent of Average</b>	<b>Oct 2021</b>
<b>Rainfall</b> (Inches)	0.00	0.76	63%	0.07
<b>Runoff</b> (Acre-Feet)	0	399	34%	451
<b>Storage</b> <sup>5</sup> (Acre-Feet)	25,180	27,430	92%	25,840

**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 2023

(All values in Acre-Feet)

Year-to-Date Values	MPWRS					Water Projects and Rights				
	Carmel River Basin <sup>2, 6</sup>	Seaside Groundwater Basin		MPWRS Total						Water Projects and Rights Total
		Coastal	Laguna Seca			ASR Recovery	PWM Recovery	Table 13 <sup>7</sup>	Sand City <sup>3</sup>	
Target	350	145	0	145	<b>495</b>	0	310	0	25	<b>335</b>
Actual <sup>4</sup>	269	92	12	105	<b>373</b>	0	405	0	20	<b>425</b>
Difference	81	53	-12	40	<b>122</b>	0	-95	0	5	<b>-90</b>
WY 2022 Actual	445	30	11	-41	<b>485</b>	0	344	0	0	<b>344</b>

1. This table is current through the date of this report.

2. For CDO compliance, ASR, Mal Paso, and Table 13 diversions are included in River production per State Board.

3. Sand City Desal, Table 13, and ASR recovery are also tracked as water resources projects.

4. To date, 0 AF and 0 AF have been produced from the River for ASR and Table 13 respectively.

5. All values are rounded to the nearest Acre-Foot.

6. For CDO Tracking Purposes, ASR production for injection is capped at 600 AFY.

7. Table 13 diversions are reported under water rights but counted as production from the River for CDO tracking.

## Monthly Production from all Sources for Customer Service: WY 2023

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	PWM Recovery	Table 13	Sand City	Mal Paso	Total
Oct-22	269	105	0	405	0	20	7	805
Nov-22								
Dec-22								
Jan-23								
Feb-23								
Mar-23								
Apr-23								
May-23								
Jun-23								
Jul-23								
Aug-23								
Sep-23								
Total	269	105	0	405	0	20	7	805
WY 2022	438	41	0	344	0	0	7	829

1. This table is produced as a proxy for customer demand.

2. Numbers are provisional and are subject to correction.





# Supplement to 11/14/2022 MPWMD Board Packet

Attached are copies of letters sent and/or received between **October 12, 2022 and November 8, 2022**. These letters are listed in the **November 14, 2022** Board packet under Letters Received / Set.

Author	Addressee	Date	Topic
<b>Melodie Chrislock</b>	Board of Directors and General Manager	October 14, 2022	Letters to the Editor Opposing Cal Am's Desal – September 28 to October 7, 2022
<b>Hans Uslar</b>	General Manager	October 17, 2022	Copy of Executed Compensation Agreement and Notice of Intent to Dissolve of Successor Agency to the Redevelopment Agency of the City of Monterey
<b>Winstron P. Stromberg</b>	Board of Directors and General Manager	October 17, 2022	MPWMD Board of Director's October 17, 2022 Special and Regular Meeting, Item No. 8: Resolution No. 2022-31
<b>Michael Baer</b>	Board of Directors	October 17, 2022	E-mail Communication from Baer to Luster, re: California American Water Coastal Development Permit
<b>Charles McKee</b>	Board of Directors	October 17, 2022	COVID-19 State of Emergency to End on February 28, 2023
<b>Michael Baer</b>	Board of Directors	October 18, 2022	Cost Estimates to CalAm's Desalination Plant
<b>Michael T. Briley</b>	General Manager	October 21, 2022	CliftonLarsonAllen, LLP Acquisition of Hayashi Wayland
<b>Mike Scheafer</b>	Board of Directors	October 14, 2022	No Paid Property / Liability Claims in 2021-22
<b>Wandzia Rose</b>	Board of Directors	October 25, 2022	No Desal Needed!
<b>Rick Heuer</b>	David J. Stoldt	October 27, 2022	Nomination of John Tilley as MPTA Representative on the Ordinance No. 152 Oversight Panel

<b>David J. Stoldt</b>	Mr. John Ainsworth	November 1, 2022	Cal-Am's CDP Application #9-20-0603
<b>California Coastal Commission</b>	Board of Directors and General Manager	November 4, 2022	Public Hearing Notice from the CA Coastal Commission on Thursday, November 17, 2022



**From:** [mwchrislock@redshift.com](mailto:mwchrislock@redshift.com)  
**To:** [Alvin Edwards](#); [Amy Anderson](#); [Clyde Roberson](#); [George Riley](#); [Karen Paul](#); [District 5](#); [SAFWAT MALEK](#); [Dave Stoldt](#); [Joel Pablo](#)  
**Subject:** Letters to the Editor Opposing Cal Am's Desal - September 28 to October 7, 2022  
**Date:** Friday, October 14, 2022 10:09:59 AM

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## Letters to the Editor Opposing Cal Am's Desal

Carmel Pine Cone | October 7, 2022

### Disputed Water Numbers

Dear Editor:

Regarding your September 30 article, I hope Pebble Beach Company will meet with the Monterey Peninsula Water Management District (MPWMD) to clear up its misunderstanding of MPWMD's water supply and demand numbers provided to the CPUC recently. The AMBAG growth forecast includes ALL growth for the area, including Pebble Beach. It turns out that Cal Am miscalculated the demand by double and triple counting data. It's interesting that Cal Am came up with a water demand that is just enough to justify its desal plant.

As to the charge that the district "has an inherent conflict of interest... avowedly pursuing a public buyout of Cal Am", please remember the district is mandated by law to do so. Voters passed Measure J in 2018 by an overwhelming majority, legally mandating the district to pursue a buyout of Cal Am if feasible. The feasibility study done in 2019 concluded it is feasible.

According to MPWMD, the expansion of Pure Water Monterey will provide more than enough water for 30 years of growth without desal. Drought has minimal impact on recycled water, increased population means more wastewater. And not all the water from the expansion of Pure Water Monterey will be used immediately, so much of it can be stored for drought.

The false narrative that we need this desal project to survive is just that. If the Coastal Commission approves this boondoggle of a desal

plant on November 17, Cal Am customers can probably expect rates to double. Pebble Beach Company customers may be able to pay hundreds or possibly thousands of dollars a month for water, but the average ratepayer cannot.

Susan Schiavone, Seaside

Monterey Herald | October 12, 2022

## **Restore plant to nature**

The original intent of California's Coastal Act was the protection of the coastline from creeping privatization and restoration of parts to the natural habitat where feasible.

In 2017 a success story happened here with the agreement to close the Cemex sand mining plant. The site is to be ecologically restored and publicly accessible.

The sand plant was in existence and resource-dependent when the Coastal Act was written so its use was grandfathered in. It was not designated as Public Facilities. Private corporations should not be allowed to install apparatus there that benefits one set of customers; such exclusivity does not equate to serving the public good.

The Cal Am test well easement location is but a remnant of an earlier, more regional (but failed) project that had been intended to serve Marina and North County's service areas along with that of the Monterey Peninsula but those project parameters no longer exist.

Saltwater intrusion extends inward miles beyond the immediate coastline and water extraction wells are not a coastal dependent use; it would not be a worthy trade to lose the restoration and access promise of the former sand plant to an outside investors project with a shelf life of 30 years.

— *Tina Walsh, Marina*

## **Desalination phasing**

This is in response to one of the two water issues letters in the Oct. 5

Herald [and today's lead article]. That letter is a good synopsis of Cal Am's most current argument supporting a desal project built, owned and operated by the utility. The synopsis is good, but the argument is bad. The argument supports a project that does not exist.

The project to which the letter refers is for a 4.8 million-gallons-per-day (5,380 acre-feet-per-year) desal plant, but Cal Am's current, modified application before the CPUC (Alternative 5a of the original 2012 application) is for a 6.4 (7,174 acre-feet per year) one. Cal Am plans to present the 4.8 project to the Coastal Commission on Nov. 17 in Salinas but has not yet submitted it as a newly modified application to the CPUC.

The application now before the CPUC cites the 6.4 project as the best of several alternatives, which exclude the 4.8 one.

Before presenting the 4.8 project to the Coastal Commission, Cal Am needs to obtain certification of the project by the CPUC.

— *Ron Weitzman, President, Monterey Peninsula Water Ratepayers Association*

Monterey Herald | October 11, 2022

## **Cal Am's water grabs**

A pattern emerges of Cal Am's illicit ways to obtain water. As a previous letter to the editor states, "Cal Am has illegally pumped water from the Carmel River that has killed off trees, enabled massive erosions, and decimated fish populations." And now they propose to illegally pump from a neighboring public jurisdiction (Marina Coast Water District), also ruining sensitive habitats where threatened and endangered species live, and preventing a beach access that was made possible in the Cemex settlement agreement after Cemex closes in one year. When is enough enough? Cal Am's tactics must be called out for what they are and we must end this kind of predatory water grabs that are against the law!

— *Liesbeth Visscher, Chair, Citizens for Just Water*

Monterey Herald Letter | October 10, 2022

## Desal plans

Recent Herald letters highlight Cal Am's desal plans and its detrimental effects on our communities, including environmental injustice to disadvantaged communities such as Marina. Noteworthy but overlooked is the hero among us, Marina Coast Water District, a publicly-owned utility that consistently maintains reasonable water rates.

Cal Am obstinately invaded MCWD's water service jurisdiction to contaminate its sole potable water supply, the Salinas Valley Groundwater Basin aquifers.

Cal Am's slant well technology, by design, induces seawater intrusion, which is a major issue that placed the SVGB on the state's critically over-drafted groundwater basin list. Cal Am's desal facility would further endanger the SVGB with seawater to the point that the groundwater would be so seawater intruded that the only solution would be Cal Am's desal plant. If the SVGB is completely seawater intruded and only Cal Am's desal facility could provide sufficient water for drinking and crop irrigation, then the desal plant, by necessity, would solve the "water problem."

— *Margaret-Anne Coppernoll, Marina*

Monterey Herald— October 5, 2022

## Can we print water?

Unlike money, we cannot print water. So, we need to be sensible in estimating our water needs. When we estimate the amount of water the Peninsula needs 30 years into the future, we would count the current need plus population growth. That is why, the Monterey Peninsula Water Management District says that the Pure Water extension will provide sufficient water for the growing population and the housing that comes with it, 30 years into the future.

Then, Cal Am, my current water provider, says that Pure Water extension is not enough, and is again applying to build a desalination plant. The crux of the matter is in its double counting of what is needed.

Empty houses don't drink water. People who occupy the houses do. It turns out Cal Am counts both the people and the empty houses.

Maybe 30 years from now we would need a desalination plant, but not now. As a rate payer, I am strongly against wasting money for something we do not need and can ill afford.

— *Sylvia Shih, Seaside*

Monterey Herald – Letter to the Editor | October 1, 2022

## **Cal Am's desal project will cause harm to Marina**

Marina agrees that Cal Am is a “bad neighbor” by crossing its jurisdictional boundaries and proposing a slant well desalination project in a neighboring PUBLIC water jurisdiction of a disadvantaged community of color. MCWD and the City of Marina never invited nor gave permission for Cal Am to pump 6.4 million gallons a day from our area. Cal Am has zero water rights to pump massive amounts of our groundwater and Marina receives zero treated water. Cal Am will endanger our only source of potable water and exacerbate our basin's struggles as one of CA's 21 critically overdrafted basins!

The land on which Cal Am proposes building six large cement pads of 5-6,000 square feet each with fencing, actually will sit on Marina's shores close to water's edge. This is the same beach access that will be bought by a public agency after the final closure of the Cemex sandmining plant in two more years per the Cemex settlement agreement. And these pipes will permanently impact our sensitive habitats per the Coastal Commission. If Cal Am were asked to solve its own water issues within its own jurisdiction, would Carmel allow such cement pads on their shoreline? This is environmental injustice of the worst kind!

— *Kathy Biala, Co-founder of Citizens for Just Water*

MC Weekly Letters | September 29, 2022

## Housing, Water, Math

We don't need Cal Am's desal plant ("The debate over Cal Am's desalination plant returns to center stage," Sept. 15-21). AMBAG's growth forecast proves that the Pure Water Monterey expansion is enough water to meet the current RHNA housing demand. We'll need about 800 acre-feet more water by the year 2045 for housing and development. But Cal Am wants us to pay for 6,250 acre-feet of extraordinarily expensive desalinated water.

Tell the Coastal Commission "No Cal Am desal" on Nov. 17. We don't need it. We can't afford it.

*Melodie Chrislock | Carmel*

*Chrislock is managing director of Public Water Now.*

Thanks for your report on Cal Am's desal project. The Coastal Commission staff twice recommended denial based on environmental damage, extremely high cost, and Marina bears the project with no benefit.

Expansion of Pure Water Monterey supplies adequate water, including for growth, for 20-30 years, as verified by the Monterey Peninsula Water Management District's analysis, available at mpwmd.org  
<<http://mpwmd.org>> .

*Susan Schiavone | Seaside*

Monterey Herald – Letters to the Editor | September 28, 2022

## Planning for water needs

A recent letter overlooked the fact that the Coastal Commission staff has twice recommended denial of Cal Am's desal project. Their denial

was not because it wasn't publicly owned. It was because there is a superior alternative in the expansion of Pure Water Monterey. Yes, the clock has been ticking for over two years now, as Cal Am used its political power to block the expansion. Finally it should be approved next week and a new water supply will be on the way.

This desal water is extraordinarily expensive and would probably double the average water bill and it has major environmental issues and environmental justice problems that cannot be overcome, which the Coastal Commission cannot ignore.

Cal Am's proposed desal is not a regional solution. The Peninsula doesn't need a smaller desal plant, this county needs a much larger desal plant that can serve the city of Salinas and others who need water.

Is the business coalition seriously proposing that we fill the Seaside basin with \$6,000 an acre-foot desal water? Do they understand how quickly the Seaside Basin will fill from the PWM Expansion?

And if the business coalition really wants to support CSIP they should be asking why the Monterey County Water Resources Agency refuses to buy the extra 4,000 acre-feet of water that is available to CSIP from the Pure Water Monterey program.

It's not hard to get a good water project permitted. Unfortunately the business coalition has blindly supported Cal Am's desal project despite the facts.

— *Renee Franken, Monterey*

RECEIVED

OCT 17 2022

MPWMD



October 14, 2022

Via U.S. Mail

Mr. David Stoldt  
General Manager  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
Monterey, CA 93940

Re: Copy of Executed Compensation Agreement and Notice of Intent to Dissolve of  
Successor Agency to the Redevelopment Agency of the City of Monterey

Dear Mr. Stoldt:

On April 13, 2022, the California Department of Finance (the "Department") sent a letter to the Successor Agency to the Redevelopment Agency of the City of Monterey (the "Successor Agency") inquiring about the dissolution status of the Successor Agency and requesting that the Successor Agency take steps to dissolve pursuant to Health and Safety Code Section 34187.

Under Health and Safety Code Section 34187(b), "when all of the enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to section 34181 or 34191.4, and all outstanding litigation has been resolved, the successor agency shall, within 30 days of meeting the aforementioned criteria, submit to the oversight board a request, with a copy of the request to the county auditor-controller, to formally dissolve the successor agency. The oversight board shall approve the request within 30 days and shall submit the request to the department."

By this letter, the Successor Agency and the City of Monterey (the "City") are providing the affected taxing entities: (1) notice of the Successor Agency's intent to transfer the Hotel Pacific, located at 300 Pacific Street, City of Monterey, County of Monterey, California (the "Property") to the City, in accordance with the State Department of Finance (the "Department") approved Long Range Property Management Plan ("LRPMP"); (2) a copy of the Compensation Agreement; and (3) notice of the Successor Agency's intent to dissolve pursuant to Health and Safety Code Section 34178(b).

***Notice of Intent to Transfer Property and copy of Compensation Agreement.*** The Property was acquired using federal funds in the name of the "Urban Renewal Agency of the City of



October 14, 2022

Page 2

Monterey" which was later renamed the "Redevelopment Agency of the City of Monterey" (the "Former Agency"). Though title to the Property remained in the name of the Urban Renewal Agency, the Former Agency owned the Property until it was dissolved pursuant to the California Dissolution Statutes in February of 2012, at which point the Successor Agency was granted fee title to the Property, by operation of law. In accordance with the requirements of Health and Safety Code section 34191.5(b), the Successor Agency prepared and submitted the LRPMP, the sole purpose of which was to address the transfer of the Property.

By determination letter issued on December 22, 2015, the Department approved the LRPMP which required: (1) the assignment of the Former Agency's interest in the Lease to the City; and (2) transfer of the fee title to the Property to the City subject to the preparation and execution of a compensation agreement among the City and the Taxing Entities pursuant to Health and Safety Code section 34180(f).

In fulfillment of the Paragraph 1.C of the Lease and the LRPMP, the Successor Agency and the City executed that certain Assignment and Assumption of Ground Lease Agreement, dated as of February 12, 2016, under which the Successor Agency assigned on behalf of itself and the Former Agency, all of the Former Agency's right, title, and interest in and obligations under the Lease to the City.

As required under the LRPMP, the Successor Agency and City proceeded to negotiate the terms of the Compensation Agreement with the affected taxing entities. Under the Compensation Agreement, all lease and sales proceeds revenues generated from Property are considered restricted CDBG program income and must continue to be transferred to the City's CDBG program and spent in accordance with the CDBG program requirements. In November 2016, the City and Successor Agency provided the affected taxing entities with a proposed Compensation Agreement associated with the transfer of the Property. While a majority of taxing entities executed the contract, the Successor Agency did not receive signatures from the Monterey Peninsula Unified School District ("MPUSD") and the Monterey Peninsula College ("MPC" and collectively with MPUSD, the "Educational Districts"). Attached to this Letter is the final Compensation Agreement governing the transfer of the Property and to which the signatures of the taxing entities were appended, with the exception of the Educational Districts. Please note that the final Compensation Agreement incorporated revisions to Section 3(b) requested by the Monterey County Office of Education and other technical corrections.

The Successor Agency intends to transfer the Property to the City on November 1, 2022. By its terms, the Compensation Agreement terminates at such time as the Successor Agency transfers the Property to the City in fee.

***Notice of Dissolution of Successor Agency pursuant to Health and Safety Code §34178(b).*** Under Health and Safety Code Section 34187(b), when all of the enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to section 34181 or

October 14, 2022

Page 3

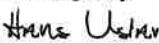
34191.4, and all outstanding litigation has been resolved, the successor agency shall submit to the oversight board a request to dissolve.

Once the Successor Agency transfers the Property to the City and the Compensation Agreement terminates by its own terms all of the enforceable obligations of the Successor Agency will have been retired or paid off, and all real property of the Successor Agency will have been disposed of. There is no outstanding litigation pending. Pursuant to Health and Safety Code section 34187(b), within thirty (30) days of the Property transfer, the Successor Agency governing board will approve a resolution of dissolution and the Successor Agency will submit to the Consolidated Oversight Board for the County of Monterey a request to approve the dissolution of the Successor Agency, in satisfaction of Health and Safety Code section 34178(b).

The dissolution of the Successor Agency is for the benefit of all the taxing entities and will result in no further property taxes being allocated to the Redevelopment Property Tax Trust Fund. Upon dissolution, all property taxes will be distributed by the County-Auditor Controller to each of the taxing entities as normal property taxes in accordance with each taxing entities AB8 factor. All contractual and statutory pass-through payments will cease and result in the expeditious wind-down of the Successor Agency.

This letter and the information is being provided as a courtesy and no further action for any of the affected taxing entities is required. If you have any questions about the proposed dissolution plan or any of the documents that were provided, please contact Kim Cole, City of Monterey Community Development Director at (831) 646-3759 or via email at [cole@monterey.org](mailto:cole@monterey.org).

Sincerely,

DocuSigned by:  
  
6892AD3E4790433...

Hans Uslar, City Manager  
City of Monterey

- cc: Garry Bousum, Chair, Consolidated Oversight Board for the County of Monterey  
Jennifer Forsyth, Auditor-Controller Analyst, County of Monterey
- e: Christine Davi, City Attorney, City of Monterey  
Rafaela King, Finance Director, City of Monterey  
Kim Cole, Community Development Director, City of Monterey  
Janna Aldrete, Leasing and Property Manager, City of Monterey

# ATTACHMENT 1

## COMPENSATION AGREEMENT (Pacific Hotel)

This Agreement, dated for reference purposes as of Nov. 17, 2017 is entered into by and among the Monterey Successor Agency (the "Successor Agency"), successor in interest to the dissolved Redevelopment Agency of the City of Monterey (the "Former Agency"), the City of Monterey, the Monterey County, the Monterey County Water Resources Agency (MCWRA Zone 11), the Monterey Peninsula Water District, the Monterey Regional Park District, the Monterey County Office of Education, the Monterey Peninsula Unified School District, and Monterey Peninsula College, on the basis of the following facts, understandings, and intentions of the Parties:

### RECITALS

A. These Recitals refer to and utilize certain capitalized terms which are defined in Section 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use thereof in this Agreement.

B. Pursuant to the Redevelopment Dissolution Statutes, the Former Agency was dissolved as of February 1, 2012, and the Successor Agency became responsible for paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Former Agency.

C. Accordingly, ownership of the Former Agency's properties that had been acquired to implement the Redevelopment Plan transferred to the Successor Agency for disposition in accordance with the Redevelopment Dissolution Statutes.

D. The City of Monterey received an Urban Renewal Grant, from the United States Department of Housing and Urban Development ("HUD"), under Loan and Grant Contract No. Calif. R-34 (LG), which the City used the HUD grant funds to acquire property commonly referred to as the Hotel Pacific Property located at 300 Pacific Street, City of Monterey, County of Monterey, California, as further described in the attached Exhibit A, incorporated herein by this reference (the "Property").

E. The Property was acquired in the name of the "Urban Renewal Agency of the City of Monterey" which was later renamed "Redevelopment Agency of the City of Monterey." Though title to the Property remained in the name of the Urban Renewal Agency, the Former Agency owned the Property until it was dissolved pursuant to the California Dissolution Statutes.

F. The Property is subject to a long-term lease which facilitated the construction of a hotel on the Property (the "Lease"), a copy of the Lease is attached hereto as Exhibit B and incorporated herein by this reference.

G. Paragraph 1.C of the Lease provides, that the Former Agency "may assign all right, title and interest in this lease to the CITY OF MONTEREY. In said event, or in the event the [Former] Agency is terminated by action of law, the City shall automatically succeed to all

right, title and obligation under the lease, and this lease shall be deemed amended by substituting the word "City" wherever the word Agency appears. [emphasis added]"

H. Upon completion of the project, HUD approved that certain project, Urban Renewal Agency-City of Monterey Closeout Agreement (the "Closeout Agreement"), by and between HUD, the Urban Renewal Agency and the City which specifically requires that all lease revenues generated at the Property and all proceeds from the disposition of the Property be used by the City as program income under 24 C.F.R. §570.801, and used solely to further the CDBG national objectives under the provisions of 24 C.F.R. §570.506. The Closeout Agreement is a valid and binding obligation that continues to restrict the use of revenues and property disposition proceeds generated at the Property.

I. The Successor Agency received a "Finding of Completion" from the DOF on September 10, 2013, confirming that the Successor Agency had made specified required payments under the Redevelopment Dissolution Statutes, and entitling the Successor Agency to prepare and submit a Long-Range Property Management Plan (the "LRPMP", as further defined in Section 1) to the Oversight Board and the DOF for approval.

J. The Successor Agency initially prepared and obtained Oversight Board approval of its LRPMP on February 26, 2014, calling for the Former Agency's Property to be transferred by the Successor Agency to the City for governmental use and to fulfill an enforceable obligation. Under the initial LRPMP, the Successor Agency proposed to transfer the Property to the City for public use and to fulfill the terms of the Lease, an enforceable obligation as defined in Health and Safety Code 34171(d). The intent being that the City would continue to own the Property and continue to use the lease revenue to further the national objectives consistent with the CDBG regulations.

K. The DOF directed that, in order to obtain DOF approval, the initial LRPMP needed to be amended to provide for: (1) an assignment of the Former Agency's interest in the Lease to the City; and (2) transfer of the fee title to the Property to the City subject to the preparation and execution of a compensation agreement among the City and the Taxing Entities pursuant to Health and Safety Code Section 34180(f).

L. To comply with this DOF directive, the Successor Agency revised the LRPMP through an amendment approved by the Oversight Board and submitted to the DOF on October 28, 2015. The DOF approved the Revised LRPMP by determination letter issued on December 22, 2015. Under the revised LRPMP, transfer of the Property to the City is intended to allow the City to fulfill the duties and obligations of the Former Agency under the Lease and the Closeout Agreement.

M. In fulfillment of the Paragraph 1.C of the Lease and the LRPMP, the Successor Agency and the City executed that certain Assignment and Assumption of Ground Lease Agreement, dated as of February 16, 2016, under which the Successor Agency assigned on behalf of itself and the Former Agency, all of the Former Agency's right, title, and interest in and obligations under the Lease to the City.

ATTACHMENT 1

N. As designated in the LRPMP, the Successor Agency now desires to transfer the fee interest in the Property to the City for retention by the City for future development for a project in approved redevelopment plan as allowed under Health and Safety Code Section 34191.5(c)(2).

O. The Parties desire to enter into this Agreement to comply with the DOF directives and the terms of the Revised LRPMP. The Parties acknowledge that the restrictions of the Closeout Agreement and the Lease, result in none of the lease revenue funds or the property disposition funds being distributed to any other entity or used for anything other than as program income of the City under the provisions of 24 CFR 570.506.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Definitions. The following definitions shall apply in this Agreement:

(a) "Agreement" means this Compensation Agreement, as this Agreement may be amended from time to time.

(b) "Applicable Shares" has the meaning given in Section 6(a).

(c) "Auditor-Controller" means the Monterey County Auditor-Controller.

(d) "City" means the City of Monterey, a California charter city.

(e) "County" means the County of Monterey, a political subdivision of the State of California.

(f) "Restricted Proceeds" means, with respect to the Property, any and all of the lease and other revenue funds or the property disposition funds generated at the Property, all of which are deemed to be restricted as program income under 24 CFR 570.801 for use by the City to meet the CDBG national objectives under 24 CFR 570.506.

(g) "DOF" means the California Department of Finance.

(h) "Effective Date" has the meaning given in Section 2.

(i) "ERAF" means the Educational Revenue Augmentation Fund maintained by the Auditor-Controller.

(j) "Former Agency" means the dissolved Redevelopment Agency of the City of Monterey.

(k) "LRPMP" means the Revised Long-Range Property Management Plan of the Successor Agency as it exists from time to time. As of the date of this Agreement, the LRPMP consists of the revised Long-Range Property Management Plan dated December 7, 2015, as approved by the Oversight Board on December 7, 2015. The DOF approved the LRPMP in the determination letter dated December 22, 2015.

ATTACHMENT 1

(l) "Oversight Board" means the Successor Agency's oversight board established and acting in accordance with the Redevelopment Dissolution Statutes.

(m) "Parties" means all of the parties to this Agreement as set forth in the opening paragraph of this Agreement. "Party" means one of the Parties individually.

(n) "Property" has the meaning set forth in Recital D.

(o) "Redevelopment Dissolution Statutes" means collectively ABx1 26 enacted in June 2011, AB 1484 enacted in June 2012, and SB 107, enacted September 2015, and any future amendments that may apply.

(p) "Redevelopment Plan" means the Redevelopment Plan for the Custom House Redevelopment Project Area, adopted by Ordinance No. 1255 C.S. on July 5, 1961 and amended by the following ordinances:

Ordinance No. 1449 C.S. on July 6, 1965  
 Ordinance No. 1571 C.S. on July 5, 1967  
 Ordinance No. 1737 C.S. on July 7, 1970  
 Ordinance No. 1867 C.S. on November 21, 1972

(q) "Successor Agency" means the Successor Agency of the dissolved Redevelopment Agency of the City of Monterey.

(r) "Taxing Entities" means, collectively, the following entities that comprise affected taxing entities for purposes of the Redevelopment Dissolution Statutes: the City of Monterey, the Monterey County, the Monterey County Water Resources Agency (MCWRA Zone 11), the Monterey Peninsula Water District, the Monterey Regional Park District, the Monterey County Office of Education, the Monterey Peninsula Unified School District, and Monterey Peninsula College. "Taxing Entities" shall also mean and include ERAF if and to the extent the Auditor-Controller determines that ERAF is entitled to a distribution of compensation pursuant to Section 6 and the provisions of Health and Safety Code Section 34188. Notwithstanding anything to the contrary herein, ERAF is only considered a Taxing Entity for purposes of distributing funds and for no other purpose, and no additional approval or signature will be required on behalf of ERAF.

Section 2. Effectiveness of Agreement.

(a) This Agreement shall become effective only upon satisfaction of the following conditions:

(1) Approval of this Agreement by the Taxing Entities' governing boards and direction for the Taxing Entities to execute this Agreement; and

(2) Approval of this Agreement by the Successor Agency's governing board and direction for the Successor Agency to execute and implement this Agreement pursuant to Health and Safety Code Section 34180(f)

## ATTACHMENT 1

(b) Promptly following the effectiveness of this Agreement, the City and the Successor Agency shall transmit notice to all the other Parties that the Agreement is effective and specifying the date the Agreement became effective (the "Effective Date").

### Section 3. Signatories With Respect To Certain Funds.

(a) Flood Control District Funds. The Monterey County Water Resources Agency (the "Water Resource Agency") administers the following special funds, and, in addition to entering into this Agreement for the Water Resource Agency itself, is authorized to, and has entered into and executed this Agreement on behalf of the following:

- (1) Monterey County Water Resource Agency; and
- (2) Monterey County Water Resource Agency Zone 11.

(b) Office of Education Funds. The Monterey County Office of Education (the "County Office of Education") administers funds for the following special funds, and, in addition to entering into this Agreement for the County Office of Education itself, is authorized to, and has entered into this Agreement on behalf of the following:

- (1) County School Service Fund;
- (2) Charter School Fund;
- (3) SELPA Pass-Through Fund;
- (4) Child Development Fund;
- (5) Deferred Maintenance Fund;
- (6) Forest Reserve Fund;
- (7) Special Reserve- Other; and
- (8) Special Reserve- Capital Outlay.

(c) ERAF. ERAF may be entitled to a distribution pursuant to Section 6 of a portion of the Applicable Share. Pursuant to instruction and direction from the DOF and the Auditor-Controller, there is no need for a separate signatory to execute this Agreement on behalf of ERAF because the ultimate beneficiaries of any distribution of Applicable Shares to ERAF are themselves Taxing Entities that are signatories to this Agreement.

Section 4. Conveyance of Property to City. Promptly following the execution of this Agreement, the Successor Agency shall convey, and the City shall accept, all of the Former Agency's fee interest in and to the Property. The Successor Agency shall convey the Property by quitclaim deed in form reasonably acceptable to the Successor Agency and the City. In accordance with Health and Safety Code Sections 34179(h)(1)(D) and (E), and Section

34191.5(f), no further approval of the Oversight Board or the DOF will be necessary to effectuate the transfers contemplated herein.

Section 5. Retention of Property by City.

(a) Upon the transfer of the Property to the City, pursuant to Section 4 above, the City shall retain the Property to fulfill the terms of the Lease and the Closeout Agreement.

(b) Notwithstanding anything to the contrary, as designated in the LRPMP, the City shall also retain the Property for future development for a project in approved redevelopment plan as allowed under Health and Safety Code Section 34191.5(c)(2).

Section 6. Compensation To Taxing Entities Related To Property Transfers.

(a) Distribution of Restricted Proceeds. The City shall retain any and all Restricted Proceeds generated by the Property, for use by the City as program income under the provisions of 24 C.F.R. §570.801 to further the CDBG national objectives 24 C.F.R. §570.506. Because all funds generated at the Property are deemed Restricted Proceeds, the City will not be required to distribute any funds to the Auditor-Controller for future distribution among the Taxing Entities in proportion to their shares of the base property tax (the "Applicable Shares"), as determined by the Auditor-Controller pursuant to Health and Safety Code Section 34188. The attached Exhibit D shows the distribution of Restricted Proceeds and Applicable Shares of the Taxing Entities that would have applied to a distribution under this Section 6 had the distribution been made on January 1, 2016, as provided by the Auditor-Controller.

Section 7. Term of Agreement; Early Termination.

(a) Term. The term of this Agreement shall commence on the Effective Date and terminate upon the transfer of the Property to the City pursuant to Section 4, above ("Termination"). Within five (5) business days of transfer of the Property from the Successor Agency to the City, the City shall send a notice of termination of this Agreement to all the Taxing Entities (the "Termination Notice").

(b) Termination. Upon Termination of this Agreement and transmittal of the Termination Notice, no Party shall have any further rights or obligations under this Agreement, and the City may continue to collect and retain the Restricted Proceeds from the Property, including any and all Restricted Proceeds that the City has not yet received as of the effective date of the Termination, the rights of the City to collect any and all Restricted Proceeds shall survive termination of this Agreement.

Section 8. Miscellaneous Provisions.

(a) Notices. All notices, statements, or other communications made pursuant to this Agreement to another Party or Parties shall be in writing, and shall be sufficiently given and served upon the Party if sent by: (1) United States certified mail, return receipt requested, postage prepaid; or (2) nationally recognized overnight courier, with charges prepaid or charged to sender's account, and addressed to the applicable Party in the manner specified in the attached Exhibit C. Any Party may change its address for notice purposes by written notice to the other Parties prepared and delivered in accordance with the provisions of this Section 9(a).



# ATTACHMENT 1

(b) No Third Party Beneficiaries. No person or entity other than the Parties and their permitted successors and assigns, shall have any right of action under this Agreement.

(c) Litigation Regarding Agreement. In the event litigation is initiated attacking the validity of this Agreement, each Party shall in good faith defend and seek to uphold the Agreement; provided, however, that the costs of such litigation shall be borne solely by the City and/or the Successor Agency.

(d) State Law; Venue. This Agreement, and the rights and obligations of the Parties hereto, shall be construed and enforced in accordance with the laws of the State of California. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Monterey County, California or in the Federal District Court for the Northern District of California.

(e) Attorneys' Fees. In any action which a Party brings to enforce its rights hereunder, the unsuccessful Party or Parties shall pay all costs incurred by the prevailing party, including reasonable attorneys' fees.

(f) Entire Agreement; Amendment. This Agreement constitutes the entire and integrated agreement of the Parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be modified only in writing and only if signed by all of the Parties.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Parties by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

(h) Non-Waiver. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement will be effective unless it is in writing and signed by the waiving Parties.

(i) No Partnership. Nothing contained in this Agreement shall be construed to constitute any Party as a partner, employee, joint venturer, or agent of any other Party.

(j) Ambiguities. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

(k) Exhibits. The following exhibits are incorporated in this Agreement by reference:

Exhibit A: Legal Description

Exhibit B: Copy of Lease

Exhibit C: List of Addresses for Notice Purposes

Exhibit D: Illustrative Distribution of Restricted Proceeds and Applicable Shares

(l) Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.


(m) Action or Approval. Whenever action and/or approval by the City is required under this Agreement, the City Manager or the City Manager's designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in the City Manager's discretion that such action or approval requires referral to the City Council for consideration. Whenever action and/or approval by the Successor Agency is required under this Agreement, the Successor Agency Executive Director or the Successor Agency Executive Director's designee may act on and/or approve such matter unless specifically provided otherwise, or unless the Successor Agency Executive Director determines in the Successor Agency Executive Director's discretion that such action or approval requires referral to the Successor Agency Board for consideration.

[SIGNATURE PAGES FOLLOW]

ATTACHMENT 1

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth in the opening paragraph of this Agreement.

MONTEREY SUCCESSOR AGENCY, a  
separate legal entity pursuant to Health & Safety  
Code §34173

By:   
Clyde Roberson, Chair

Dated: \_\_\_\_\_

APPROVED AS TO FORM OF LEGALITY:



Dianne Jackson McLean, Esq.  
Goldfarb & Lipman LLP  
City Special Counsel


ATTEST:

  
City Clerk



Whereas this Agreement has been entered into by the undersigned as of the date first written above.

CITY OF MONTEREY, a California charter city

By:   
Clyde Roberson, Mayor

Dated: \_\_\_\_\_

APPROVED AS TO FORM:



Dianne Jackson McLean, Esq.  
Goldfarb & Lipman LLP  
City Special Counsel

ATTEST:

  
City Clerk



ATTACHMENT 1

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

## MONTEREY PENNINSULA WATER DISTRICT

By: David J. StoldtName: David J. StoldtIts: General ManagerDated: 11/17/2017

## APPROVED AS TO FORM:

David Laredo for  
David Laredo  
General Counsel

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

COUNTY OF MONTEREY, a political subdivision  
of the State of California

By: \_\_\_\_\_  
Name: J. L. G. J.  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

*[Signature]*  
County Counsel

ATTACHMENT 1

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

MONTEREY PENINSULA REGIONAL PARK  
DISTRICT

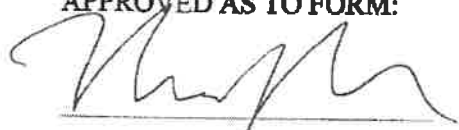
By: 

Name: Kelly Sorenson

Its: President

Dated: 1/10/18

APPROVED AS TO FORM:



Michael J. Whilden  
MPRPD Legal Counsel

The Monterey County Water Resources Agency administers the following authorized special funds, and in addition to executing this Agreement for the Water Resources Agency itself, is authorized to, and has executed this Agreement on behalf of each of the following entities and funds:

Monterey County Water Resources Agency; and  
Monterey County Water Resources Agency Zone 11.

MONTEREY COUNTY WATER  
RESOURCES AGENCY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_



## ATTACHMENT 1

The Monterey County Office of Education administers the following authorized special funds, and in addition to executing this Agreement for the Office of Education itself, is authorized to, and has entered into and executed this Agreement on behalf of the following entities and funds:

County School Service Fund  
Charter School Fund  
SELPA Pass-Through Fund  
Child Development Fund  
Deferred Maintenance Fund  
Forest Reserve Fund  
Special Reserve – Other  
Special Reserve – Capital Outlay

MONTEREY COUNTY OFFICE OF  
EDUCATION

By: Nancy K. Stowski

Name: Nancy Kotowski

Its: County Superintendent

Dated: February 7, 2018

APPROVED AS TO FORM:

ATTACHMENT 1EXHIBIT A

## LEGAL DESCRIPTION

The property referred to is situated in the County of Monterey, City of Monterey, State of California, and is described as follows:

## Parcel I:

Lots Numbered H-2, H-4 and I-1, as said Lots are shown on that certain map entitled, "Tract No. 827, Custom House Redevelopment Project", filed in Volume 13 of Maps, "Cities and Towns", at Page 75, Monterey County Records.

## Parcel II:

All that portion of Jackson Street lying Southerly of Lot H-4, Northerly of Lot I-1, Easterly of that certain course S. 13° 51' 15" E., connecting the Southwest corner of Lot H-4 to the Northwest corner of Lot I-1 and Westerly of Pacific Street, as said Lots, course and Streets are shown in that certain map entitled, "Tract No. 827, Custom House Redevelopment Project", filed in Volume 13 of Maps, "Cities and Towns", at Page 75, Monterey County Records.

Assessor's Parcel Number(s): 001-568-004, 001-568-005, 001-569-005

ATTACHMENT 1

EXHIBIT B

COPY OF LEASE

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## PACIFIC STREET MOTEL LEASE

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ATTACHMENT 1LEASE"Pacific Street Motel"

Redevelopment Agency and John Barleycorn, Inc., Redeveloper

THIS LEASE AGREEMENT is executed by and between the REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY, a municipal corporation, hereinafter called "Agency", and JOHN BARLEYCORN, INC., a corporation, hereinafter called "Lessee".

I. DEMISED PREMISES. Agency hereby leases to the Lessee and Lessee leases from Agency all of that certain real property situated in the CITY OF MONTEREY, STATE OF CALIFORNIA, described and delineated as Parcels H-2, H-4, and I-1 as specifically described on "Official Map - Custom House Redevelopment Plan" - filed for record May 26, 1975 at Volume 13, page 75 of Cities and Towns, Records of Monterey County, State of California. Said real property is hereinafter called the "premises".

- A. PERMITTED USE. Said premises are leased to Lessee only for the purposes of constructing and operating a motel of approximately 104 rooms plus uses ancillary thereto, retail-commercial uses in the areas designated for said uses in the approved plans, and use approved by the Agency and permitted by the Custom House Redevelopment Plan.
- B. OBLIGATION TO DILIGENTLY USE. Lessee covenants to use said premises for the above-specified purposes and to diligently conduct the business thereon to produce a reasonable and substantial gross income.
- C. SUCCESSION BY CITY OF MONTEREY. The Agency may assign all right, title and interest in this lease to the CITY OF MONTEREY. In said event, or in the event the Agency is terminated by action of law, the City shall automatically succeed to all right, title and obligation under this lease, and this lease shall be deemed amended by substituting the word "City" wherever the word "Agency" appears.

II. TERM OF AGREEMENT.

- A. COMMENCEMENT AND TERMINATION. The term of this agreement shall be fifty (50) years, commencing on the date of issuance of a building permit.
- B. SURRENDER OF PREMISES. At the expiration or earlier termination of this lease, Lessee shall execute, acknowledge and deliver to Agency, within five days after written demand by Agency, a valid and recordable quitclaim deed covering all of the leasehold premises. The leasehold premises shall be delivered free and clear of all liens and encumbrances, except for liens and encumbrances permitted for the construction of the improvements under the terms of this lease.

III. RENT.

- A. MINIMUM RENT. The minimum rent shall be paid monthly in advance as follows:
1. From the first of the calendar month following the issuance of a building permit, \$1,000.00 per month until an occupancy permit is issued by the City of Monterey.
  2. From the issuance of an occupancy permit or fifteen (15) months, whichever is sooner, \$4,167.00 per month until December 31 of said year.
  3. For the next calendar year, \$4,167.00 per month.
  4. For the next two calendar years, \$5,000.00 per month.
  5. For the next calendar year (the 4th year after the year of completion) and every month thereafter during the term of this lease, \$5,833.00.
- B. PERCENTAGE RENT. In addition to the minimum rent, Lessee shall pay Agency the amount by which seven percent (7%) of the gross receipts during any calendar year exceed the amount of minimum rent paid during said calendar year.
- C. TIME AND PLACE OF PAYMENT AND PENALTIES. The minimum rent shall be due and payable on the first day of each calendar month and delinquent if not received by the close of the business day on the 10th of each calendar month. Percentage rent shall be due and payable on the 15th of February for the preceding calendar year and delinquent on the 1st of March following the calendar year for which it is due. Delinquent rent shall bear a penalty assessment of



ATTACHMENT 1

two percent (2%) for each calendar month or part of a calendar month which it remains unpaid.

- D. ADJUSTMENT OF RENT. Rent shall be adjusted effective each five (5) years after the effective date of this lease in accordance with Section 6.8 of the Monterey City Chapter.
- E. GROSS INCOME. Gross Income, as used in this lease, shall include all income resulting from occupancy of the leased premises from whatever source derived whether received or to become due. Provided, however, gross income shall not include federal, state or municipal taxes collected from the consumer (regardless of whether the amount thereof is stated to the consumer as a separate charge) and paid over periodically by Lessee to a governmental agency accompanied by a tax return or statement as required by law. The amount of such taxes shall be shown on the books and records elsewhere herein required to be maintained. The aforesaid percentage rent shall be calculated and paid by Lessee on the basis of said gross income whether the income is received by Lessee their agents and all gross income received by any sublessee or other party as a result of such occupancy of said premises or the operation thereof shall be regarded as gross income of Lessee for the purpose of calculating the percentage rent hereunder required to be paid by Lessee to Agency.
- F. FINANCIAL RECORDS MAINTENANCE. Lessee shall keep true, accurate and complete records in a manner and form satisfactory to Agency from which Agency can at all reasonable times determine the nature and amounts of income subject to rental from the operation of the leased premises. Such records shall show all transactions relative to the conduct of the operation, and such transactions shall be supported by documents of original entry such as sales slips, or cash register tapes. All sales or rentals of merchandise and services rendered shall be recorded by means of cash register system which automatically issues a customer's receipt or certifies the amount recorded on a sales slip. Said cash register shall have a locked-in total which is constantly accumulating, which total cannot be reset, and at the option of the Agency, a constantly locked-in accumulating printed transaction counter which cannot be reset, and/or a printed detailed audit tape located within the register. Complete beginning and ending cash register readings shall be made a matter of daily record, including purchase invoices and tickets issued, or other means satisfactory to Agency. On or before March 1 of each year, Lessee shall render to Agency a detailed statement as to the source of the receipts showing all gross income of the preceding calendar year together with the amount payable to Agency as

hereinabove provided and shall accompany same with a remittance of the amount so shown to be due Agency. After the end of each lease year, Lessee shall submit an operating statement of the business of Lessee, its agents, sublessees, concessionaires or licensees operating on said premises to be made by a certified public accountant, or a public accountant licensed by the State of California, and shall, within sixty (60) days after the end of each lease year, furnish a copy thereof to Agency without any cost or expense to Agency.

- G. DEVELOPMENT AS ADDITIONAL CONSIDERATION. Lessee agrees that part of the consideration for granting this lease is Lessee's obligation to develop the leased premises in accordance with the Agency- approved Redevelopment plan.

#### IV. COVENANTS AND CONDITIONS.

##### A. CITY COVENANTS.

1. Quiet Possession. Lessee, paying the said rent and performing the covenants and agreements herein, shall and may at all times during the said term peaceably and quietly have, hold and enjoy the said premises for the term thereof.

2. Assignment and Subleasing. Lessee shall not assign this lease, or sublease any portion of the premises, without the written consent of the Agency. In granting this lease, the Agency is placing specific reliance on the ability of the Lessee to construct and operate the motel facility and therefore retains the sole right to approve or disapprove any assignment. However, said right to assign or sublet shall not be withheld if Lessee will provide proofs to Agency that the proposed subtenant or assignee is of equal ability to perform the tasks and duties set forth in this lease. This section shall not be applicable to the rights of a mortgage holder or holder of other security interest created under the next succeeding section of this lease.

Lessee may sublease the areas designated for retail commercial or the restaurant designated on the approved plans.

3. Right to Encumber. Agency does hereby consent and agree that Lessee may encumber this lease, its leasehold estate and its improvements thereon by deed of trust, mortgage, chattel mortgage or other security type instrument to assure the payment of a promissory note or notes of the Lessee. Agency further agrees that in the event said deed or trust or mortgage or other security type

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instrument should at any time be in default and be foreclosed or transferred in lieu of foreclosure, the Agency will accept the mortgagee or beneficiary thereof, if reputable, qualified and financially responsible, such as a State or Federal regulated financial institution, as its new tenant under this lease with all the rights, privileges and duties granted and imposed in this lease contract. In the event said mortgagee or beneficiary desires to assign this lease to its nominee, if nominee is a reputable, qualified and financially responsible person in the opinion of the Agency, Agency hereby agrees that upon the filing of an application for consent to such assignment, Agency will give its consent thereto. The right to encumber includes any refinancing, provided that the amount of the encumbrance does not exceed the fair market value of the assets encumbered. Lessee shall give Agency at least thirty (30) days notice of its intent to encumber stating the amount of the encumbrance and the fair market value of the assets subject to be encumbered.

In the event of disagreement, the fair market value of the improvements subject to encumbrance shall be determined by arbitration in accordance with Section C-16.

B. LESSEE COVENANTS.

1. Compliance with Law. Lessee agrees, at its sole cost and expense, to comply and secure compliance with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the said premises, or the operations conducted thereon, and to faithfully observe and secure compliance with, in the use of the premises, all applicable county and municipal ordinances and state and federal statutes now in force or which may hereafter be in force, and to pay before delinquency all taxes, assessments, and fees assessed or levied upon the Lessee or the leased premises, including the land and any buildings, structures, machines, appliances or other improvements of any nature whatsoever, erected, installed or maintained by Lessee or by reason of the business or other activities of Lessee upon or in connection with the leased premises. Lessee recognizes and understands that this lease may create a possessory interest subject to property taxation and that the Lessee may be subject to payment of property taxes levied on such interest. Lessee further agrees that such tax payment shall not reduce any rent due to the Agency hereunder and that any such tax shall be paid by the Lessee before becoming delinquent. The final judgement of any court of competent jurisdiction, or the admission of Lessee or any sublessee or permittee in any action or proceeding against them, or any of them, whether Agency be

a party thereto or not, that Lessee, sublessee or permittee has violated any such ordinance or statute in the use of the premises shall be conclusive of that fact as between Agency and Lessee.

2. Construction/Alteration. Lessee agrees not to construct or install any buildings or structures on said premises or otherwise improve or alter said premises in any manner except in accordance with plans and specifications previously submitted to the Agency's Secretary and approved by him in writing. Lessee shall not make any major structural or architectural design alterations to approved buildings, structures or improvements installed on said premises except in accordance with plans and specifications previously approved in writing by the Agency Secretary. This provision shall not limit or set aside any obligation of Lessee under this lease to maintain said premises in a decent, safe, healthy and sanitary condition, including structural repair and restoration of damaged or worn improvements. Agency shall not be obligated by this lease to make any improvements or alterations to said premises or to assume any expense therefor.

3. Indemnity. Lessee agrees that Agency and the City of Monterey, its agents, officers and employees, shall not be liable for any claims, alleged liabilities, penalties, fines or for any damage to the goods, properties, or effects of Lessee, its sublessees or representatives, agents, employees, guests, licencees, invitees, patrons or clientele or of any other person whomsoever, or for personal injuries to, or deaths of any persons, whether alleged to have been caused by or resulting from any acts or omission of Lessee or its sublessees in or about the Leased premises, or any act or omission of any person or from any defect in any part of the leased premises or from any other cause or reason whatsoever arising from the use and occupancy of the premises. Lessee agrees to indemnify and save free and harmless Agency and City of Monterey and its authorized agents, officers, and employees against any of the foregoing alleged liabilities and any costs and expenses incurred by Agency or City of Monterey on account of any claim or claims therefor. Lessee is not liable for acts of omissions of the employees, officers or agents of the City or Agency.

4. Insurance Coverage. During the entire term of this lease, Lessee agrees to procure and maintain public liability insurance which names Agency and City of Monterey as an additional insured with an insurance company satisfactory to Agency licensed to do business in California to protect against loss from liability imposed by law for damages on account of bodily injury, including

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death therefrom, suffered or alleged to be suffered by any person or persons whomsoever, resulting directly or indirectly from any act or activities of Agency or Lessee, its sublessees or any person acting for Agency, or Lessee or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any person caused directly or indirectly by or from acts or activities of Agency, or Lessee, or its sublessees, or any person acting for Agency or Lessee, or under its control or direction. Such PD and PL insurance shall also provide for and protect Agency against incurring any legal cost in defending claims for alleged loss. Such public liability and property damage insurance shall be maintained in full force and effect during the entire term of this lease in the amount of not less than One Million Dollars (\$1,000,000) COMBINED SINGLE LIMIT LIABILITY. Lessee agrees to submit a policy of said insurance to the Agency on or before the effective date of this agreement indicating full coverage of the contractual liability imposed by this agreement indicating full coverage of the contractual liability imposed by this agreement and stipulating that the insurance company shall not terminate, cancel or limit said policy in any manner without at least thirty (30) days prior written notice thereof to Agency. If the operation under this agreement results in an increased or decreased risk in the opinion of the Secretary, then Lessee agrees that minimum limits hereinabove designated shall be changed accordingly upon request by the Agency Secretary. Lessee agrees that provisions of this paragraph as to maintenance of insurance shall not be construed as limiting in any way the extent to which the Lessee may be held responsible for the payment of damages to persons or property resulting from Lessee's activities, the activities of its sublessees or the activities of any person or persons for which Lessee is otherwise responsible.

Lessee also agrees to procure and maintain during the entire term of this lease, a policy of fire, extended coverage and vandalism insurance on all permanent property of an insurable nature located upon the leased premises. Said policy shall name the Agency and City of Monterey as additional insureds and shall be written by an insurance company satisfactory to Agency licensed to transact business in the State of California and shall be in an amount sufficient to cover at least 90% of the replacement costs of said property. Lessee agrees to submit a certificate of said policy to the Agency on or before the effective date of this lease. Said policy shall contain a condition that it is not to be terminated or cancelled without at least thirty (30) days written notice to Agency by the insurance company. Lessee agrees to pay the premium

for such insurance and shall require that any insurance proceeds resulting from such a loss under said policy are payable jointly to Agency and Lessee, and said proceeds shall constitute a trust fund to be reinvested in rebuilding or repairing the damaged property or said proceeds may be disposed of as specified in Section IV, B, 9, Waste, Damage or Destruction, hereof; provided, however, that within the period during which there is in existence a mortgage or deed of trust upon the leasehold, then and for that period all policies of fire insurance, extended coverage and vandalism shall be made payable jointly to the mortgagee or beneficiary, the named insured, and Agency, and shall be disposed of jointly by the parties for the following purposes:

- a. A trust fund to be held by the beneficiary or mortgagee to be applied first to the cost of reconstruction, repair or replacement of equipment, furniture, fixtures and improvements. Said amount may be paid in progress payments as work is performed. Any amount in excess of the amount used for correction of the damages shall be used to pay instalments on the mortgage debt as said payments become due. Any balance after corrections are made shall be paid to the lessee.
- b. In the event that this lease is terminated by mutual agreement and said improvements are not reconstructed, repaired or replaced, the insurance proceeds shall be jointly retained by Agency and said mortgagee or beneficiary to the extent necessary to first discharge the debt secured by said mortgage or deed of trust and then to restore the premises in a neat and clean condition.

Lessee agrees to increase the limits of liability when, in the opinion of Agency, the value of the improvements covered is increased, subject to the availability of such insurance at the increased limits. Lessee agrees, at its sole expense, to comply and secure compliance with all insurance requirements necessary for the maintenance of reasonable fire and public liability insurance covering said premises, buildings and appurtenances.

If the Lessee or any sublessee operates a restaurant or other fresh food service on the premises, the Lessee shall procure and maintain, or cause to be procured and maintained, a products liability policy covering risks common to said business, with policy limits satisfactory to the Agency and naming the Agency, the City of Monterey and their officers and employees as additional insured.

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Any disagreement concerning the amount and nature of the coverage required shall be determined by arbitration in compliance with section C-16.

5. Legal Proceedings. Lessee agrees that should it become necessary for Agency to commence legal proceedings to collect rent, recover possession, or enforce any other provision of this lease, the prevailing party will be entitled to legal costs in connection therewith, including reasonable attorney's fees as determined by the court. The parties agree that the law of the State of California shall be used in interpreting this lease agreement and will determine all rights and obligations hereunder. Personal service either within or without the State of California shall be sufficient to give personal jurisdiction to any court in which an action is filed for litigation of rights under this lease agreement.

6. Maintenance. Lessee agrees to assume full responsibility for the operation and maintenance of said premises throughout the term hereof without expense to Agency unless otherwise specified herein, and to perform all repairs and replacements necessary to maintain and preserve said premises in a decent, safe, healthy and sanitary condition in a manner satisfactory to Agency in compliance with all applicable laws. Lessee agrees that Agency shall not be required to perform any maintenance, repairs or services or to assume any expense not specifically assumed herein in connection with said premises.

7. Nondiscrimination. Lessee agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, or national origin in Lessee's use of the premises, including, but not limited to, the providing of goods, services, facilities, privileges, advantages and accommodations, and the obtaining and holding of employment.

8. Utility Costs. Lessee agrees to order, obtain and pay all utilities and service and installation charges in connection therewith. All utilities installed by Lessee shall be installed underground.

9. Waste, Damage or Destruction. Lessee agrees to give notice to the Agency of any fire or other damage that may occur on the leased premises within ten (10) days of such fire or damage. Lessee agrees not to commit or suffer to be committed any waste or injury or any public or private

nuisance, to keep the premises clean and clear of refuse and obstructions, and to dispose of all garbage, trash and rubbish in a manner satisfactory to the Agency. If the leased premises shall be damaged by any cause which puts the premises into a condition which is not decent, safe, healthy and sanitary, Lessee agrees to make or cause to be made full repair of said damage and to restore the premises to the condition which existed prior to said damage, or Lessee agrees to clear and remove from the leased premises all debris resulting from said damage and rebuild the premises in accordance with plans and specifications previously submitted to the Agency and approved in writing in order to replace in kind and scope the operation which existed prior to such damage.

C. RESTRICTIVE CONDITIONS.

1. Administration and Notices. Control and administration of this lease is under the jurisdiction of the City Manager of the City of Monterey, which said person is also Secretary to Agency, as to Agency's interest herein and any communication relative to the terms or conditions or any changes thereto or any notice or notices provided for by this lease or by law to be given or served upon Agency may be given or served by registered letter deposited in the United States mails postage prepaid, and addressed to the City Manager, City Hall, Monterey, California 93940. Any notice or notices provided for by this lease or by law to be given or served upon Lessee, mortgagee, trustee or beneficiary may be given or served by depositing in the United States mails, postage prepaid, a letter addressed to said Lessee at the leased premises or at such other address designated in writing by Lessee, mortgagee, trustee or beneficiary or may be personally served upon them or any person hereafter authorized by them to receive such notice. Any notice or notices given or served as provided herein shall be effectual and binding for all purposes upon the principals of the parties so served upon personal service or forty-eight hours after mailing in the manner required herein.

2. City Approval and Consent. The approval or consent of the Agency, wherever required in this agreement, shall mean the approval of the Secretary unless the Secretary submits the matter to the Agency for resolution.

3. Eminent Domain. In the event the leased premises or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, then the interests of Agency and Lessee (or beneficiary or mortgagee, if there is a Trust Deed or Mortgage then in effect), in the award and the effect of



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taking upon this lease agreement shall be as follows:

- a. In the event of such taking of only a part of the leased premises, leaving the remainder of said premises in such location and in such form, shape and size as to be used effectively and practicably in the opinion of Agency for the conduct thereon of the operations permitted hereunder, this lease shall terminate and end as to the portion of the leased premises so taken as of the date title to such portions vests in the condemning authority, but shall continue in full force and effect as to the portion of the leased premises not so taken and from and after such date the contract rent, or in the event there is a minimum rent specified herein, then the minimum rental required by this lease to be paid by Lessee to Agency shall be reduced in the proportion to which the value of the leased premises so taken bears to the total value of the demised premises; provided, however, Agency shall have the right, with the consent of the Lessee, to substitute like adjacent property and maintain the rent schedule without diminution.
- b. In the event of the taking of only a part of the leased premises, leaving the remainder of said premises in such location, or in such form, shape or reduced size as to render the same not effectively and practicably usable, in the opinion of Agency, for the conduct thereon of the operations permitted hereunder, this lease and all right, title and interest thereunder shall cease on the date title to said premises or the portion thereof so taken vests in the condemning authority.
- c. In the event the entire leased premises are so taken, this lease and all the right, title and interest thereunder shall cease on the date title to said premises so taken vests in the condemning authority.
- d. In the event of a taking under subparagraphs a, b, or c, the Agency shall first receive the fair market value of the land as of the effective date of the taking and the Lessee shall receive the remainder.
- e. Notwithstanding the foregoing provisions of this section, Agency may, in its discretion and without affecting the validity and existence of this lease, transfer the Agency's interests in said premises in lieu of condemnation to any authority entitled to exercise the power of eminent domain. In the event of such transfer by Agency, Lessee shall retain whatever rights it may have to recover from the said authority

the fair market value of Lessee's interest in the improvements taken by the authority and which Lessee has placed upon the leased premises in accordance with the provisions of this lease.

4. Entry and Inspection. Agency reserves and shall always have the right to enter said premises for the purpose of viewing and ascertaining the condition of the same, or to protect its interests in the premises or to inspect the operations conducted thereon. In the event that such entry or inspection by Agency discloses that said premises are not in a decent, safe, healthy and sanitary condition, Agency shall have the right, after thirty (30) days written notice to Lessee, to have any necessary maintenance work done for and at the expense of Lessee and Lessee hereby agrees to pay promptly any and all costs incurred by Agency in having such necessary maintenance work done in order to keep said premises in a decent, safe, healthy and sanitary condition.

5. Holding Over. The occupancy of the demised premises after the expiration of the term of this agreement shall be construed to be a tenancy from month to month, and all other terms and conditions of this agreement shall continue in full force.

6. Merger. The voluntary or other surrender of this lease by Lessee, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Agency, terminate all or any existing subleases or subtenancies or may, at the option of Agency, operate as an assignment to it of any or all such subleases or subtenancies.

7. Oral Representation. It is specifically understood and agreed hereby that this lease contains the complete expression of the whole agreement between the parties hereto, and that there are no promises, representations, agreements, warranties or inducements, either expressed orally or implied by the said parties, except as are fully set forth herein; and further, that this lease cannot be enlarged, modified or changed in any respect except by written agreement duly executed by and between the said parties.

8. Ownership of Improvements, Furniture, Fixtures and Equipment. Lessee First Right of Refusal. Within one hundred twenty (120) days after expiration or termination of this lease, Lessee shall remove all improvements, furniture, fixtures, and equipment, at its option, and to return the premises in approximately the same condition as when it was received, subject to normal wear and expectable useage. Should the Lessee not remove said improvements,

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furniture, fixtures, and equipment within one hundred twenty (120) days, then title to said improvements shall vest in Agency.

Any time prior to expiration or termination of this lease, or in the alternative within twelve (12) months after the expiration or termination, Agency shall notify Lessee of the terms on which Agency will be willing to lease said premises. Lessee shall have, First Right of Refusal, if within ninety (90) days after receipt of Agency's notice, Lessee indicates in writing its agreement to lease the premises. Agency must then lease the premises to Lessee on the terms stated in the notice. If Lessee does not indicate its agreement within ninety (90) days, Agency shall then have the right to lease the real property to a third party on the same terms stated in the said notice.

If the Agency does not lease the premises within ninety (90) days, or changes the terms of the notice previously submitted, any further transaction shall be deemed a new determination by Agency to lease the premises and the provisions of this paragraph shall be applicable.

If Agency determines to sell all or any part of the premises, Agency shall notify Lessee of the terms on which Agency will be willing to sell.

If Lessee, within ninety (90) days after receipt of Agency's notice, indicates in writing its agreement to purchase the premises or a part of the premises on the terms stated in Agency's notice, Agency shall sell and convey the premises or a part of the premises to Lessee on the terms stated in the notice. If Lessee does not indicate its agreement within ninety (90) days, Agency thereafter shall have the right to sell and convey the premises or a part of the premises to a third party on the same terms stated in the notice. If Agency does not sell and convey the premises or a part of the premises within ninety (90) days, or changes the terms of the notice previously submitted, any further transaction shall be deemed a new determination by Agency to sell and convey the premises or a part of the premises and the provisions of this paragraph shall be applicable.

If Lessee purchases all of the premises, this lease shall terminate on the date title vests in Lessee, and Agency shall remit to Lessee all prepaid and unearned rent. If Lessee purchases a part of the premises, this lease as to the part purchased shall terminate on the date title vests in Lessee, and the minimum monthly rent shall be reduced in the same ratio that value of the premises before

the purchase bears to the value of the premises covered by the lease immediately after the purchase.

9. Default by Lessee. In the event of default by the Lessee of any of the covenants contained herein, except non-payment of rent, if said default shall continue for sixty (60) days after notice has been given Lessee and unless appropriate action has been taken by Lessee in good faith to cure said default, the Agency shall have the right to terminate this lease and take possession of the premises.

Prior to termination, the Agency shall give notice to any mortgage lender of whom they have knowledge. Said notice shall give the mortgage lender a reasonable time to correct the default in the event the lessee fails to do so. The Agency further agrees not to terminate the lease for a reasonable time as long as the mortgage lender is diligently pursuing the remedies under the deed of trust.

In the event Lessee defaults in the payment of rent, Agency shall have all of the rights and be governed by the procedures set forth in the statutes of the State of California.

10. Reservation of City Rights. Agency hereby reserves all rights, title and interest in any and all gas, oil, minerals and water beneath said leased premises. Agency shall have the right to enter said leased premises for the purpose of making repairs to or developing municipal services. Agency hereby reserves the right to grant and use such easements or establish and use such rights of way over, under, along and across said leased premises for utilities, thoroughfares, or access as it may deem advisable for the public good. Provided, however, Agency shall not unreasonably interfere with Lessee's use of the premises and will reimburse Lessee for physical damages, if any, to the permanent improvements of Lessee located on the leased premises resulting from Agency's exercising the rights retained in this paragraph. Such reimbursement shall include a reduction in the annual rent proportionate to the amount of said physical damage as determined by the City Manager. Agency shall pay the costs of maintenance and repair of all Agency installations made pursuant to the rights reserved herein. The right to use the leased premises for municipal services is limited to the Jackson Street right-of-way. All utilities shall be underground.

11. Time is of the Essence. Time is of the essence of each and all of the terms and provisions of this lease and this lease shall inure to the benefit of and be binding

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upon the parties hereto and any successor of Lessee as fully and to the same extent as though specifically mentioned in each instance, and all covenants, stipulations and agreements in this lease shall extend to and bind any assigns or sublessees of Lessee.

12. Waiver. The waiver by Agency of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Agency shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease, regardless of Agency's knowledge of such preceding breach at the time of acceptance of such rent. Failure on the part of Agency to require or exact full and complete compliance with any of the covenants, conditions or agreements of this lease shall not be construed as in any manner changing the terms hereof and shall not prevent Agency from enforcing any provision hereof.

13. Closure of Jackson Street to Vehicular Traffic. In order to facilitate the operation of the project, the City agrees to prohibit vehicular traffic on Jackson Street between Parcels H-4 and I-1. Lessee shall commit no act or omission which interferes with the flow of pedestrian traffic and shall maintain all surface improvements in this area in a neat, safe and attractive condition; provided, however, that pedestrian traffic may be limited to walkways, stairs, and other similar improvements for pedestrian access as designated on the plan.

Lessee also acknowledges the existence of underground public utilities in this area maintained by the City or public utility companies. The City and all public utility companies maintain the right to repair, reconstruct, construct or replace public utilities in the Jackson Street right of way, provided the City or any public utility company doing work in the area shall replace, reconstruct or repair the improvements of Lessee damaged or destroyed by utility work in the area.

14. Recordation. Lessee may, at its cost, record this lease or a memorandum of this lease.

15. Liens, Taxes and Assessments. Lessee is advised that this lease may be subject to real property taxes (possessory interest) under the laws of the State of California and/or the County of Monterey. Lessee agrees to pay all taxes, liens and assessments against said property

or any improvements thereon, including any taxes on personal property including but not limited to furniture, fixtures, equipment and inventory, prior to the delinquent date of said liens, taxes or assessment and shall be entitled to reimbursement from Lessee plus statutory interest. Payment by the City shall not constitute a waiver to declare the lease in default under other provisions.

16. Arbitration. In the event of disagreement under sections A-3 or B-4 the parties shall submit the matter to arbitration. Arbitration is not mandatory for other disputes under the lease. All other matters may be submitted to arbitration by consent of both parties. In either event, the decision of the arbitrator(s) shall be binding on both parties.

If arbitration is either demanded or agreed upon, the parties shall attempt to agree upon a sole arbitrator. If the parties are unable to agree upon a sole arbitrator, then an arbitrator or arbitrators shall be appointed as set forth by statute. All other procedures for arbitration shall be governed by the California Code of Civil Procedure or other California statute governing arbitration as said section exist at the time of arbitration.

17. Rights of Mortgage Lender. Any person having a first mortgage, deed of trust or other first lien for security purposes, shall have the following rights:

- a. In the event of a breach by lessee that cannot be cured by lender, the Agency shall not foreclose while the lender is diligently pursuing his remedies under the security document.
- b. No modification of this lease shall be effective unless approved in writing by lender. Said approval shall not be unreasonably withheld.
- c. Lender shall have no personal liability under this lease unless it acquires title through foreclosure proceedings and shall be relieved of liability on transfer of lease to a new tenant.

IN WITNESS WHEREOF, this lease agreement is executed by Agency, acting by and through the Agency Chairman, and by Lessee, acting by and through its lawfully authorized officers.

ATTACHMENT 1Dated: October 29, 1984REDEVELOPMENT AGENCY OF THE  
CITY OF MONTEREYBy 

Agency Chairman

Dated: 11/2/84

## JOHN BARLEYCORN INC.

By By 

CITY OF MONTEREY hereby agrees to the lease of a portion of Jackson Street, as well as any other terms and conditions of this lease to be performed by City.

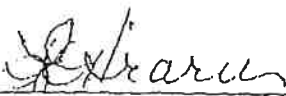
Dated: October 29, 1984

## CITY OF MONTEREY

By 

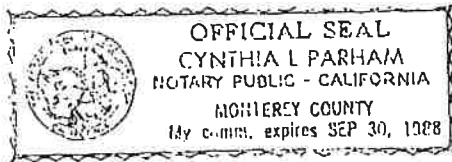
Mayor

ATTEST:

  
PATRICIA L. O'HEARN  
City Clerk, City of Monterey

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF MONTEREY )

On November 21, 1984, before me, the undersigned, a Notary Public in and for said County and State, personally appeared CLYDE ROBERSON, known to me to be the Chairman of the Redevelopment Agency of the City of Monterey, and known to me to also be the Mayor of the City of Monterey that executed the within document, and known to me to be the person who executed the within document on behalf of the Redevelopment Agency and the City of Monterey therein named, and acknowledged to me that such agencies executed the within document pursuant to its by-laws or a resolution of its members.



Cynthia L. Parham  
My Commission Expires \_\_\_\_\_



ATTACHMENT 1

## REDEVELOPMENT AGENCY OF THE

## CITY OF MONTEREY

## LEASE AMENDMENT NO. 1

Hotel Pacific

This Lease Amendment is made by and between the REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY, an agency of a municipal corporation and THE CITY OF MONTEREY, a municipal corporation (collectively "City"), and HOTEL PACIFIC LIMITED PARTNERSHIP, a Georgia limited partnership, (hereinafter referred to as "Lessee"), as of March 21, 1995, ("Effective Date").

R E C I T A L S:

WHEREAS, on October 29, 1984, City and John Barlycorn, Inc., executed a Lease, in which City agreed to lease and Lessee agreed to rent real property known as Pacific Street Hotel, located in Monterey County, California and more particularly described in the Lease (the "Property");

WHEREAS, the Lease was subsequently assigned to Hotel Pacific Limited Partnership, a Georgia limited partnership ("Lessee");

WHEREAS, on February 16, 1994, pursuant to page 6, Section III. D. of the Lease, City mailed a notice to Lessee indicating its intent to begin rental term negotiations for the base rent and gross percentage and consumer price index adjustments to rent;

WHEREAS, the Lease provides that the rent provision may be revised every 5 years pursuant to Section 6.8 of the Charter of the City of Monterey. Section 6.8 was repealed in 1989 and replaced with Section 6.4 which provides that all leases in excess of one year shall contain a provision for reconsideration of rent at fair market value in accordance with acceptable commercial lease practices.

WHEREAS, on March 21, 1995, the Redevelopment Agency adopted Resolution No. 776A, amending this Lease; and

WHEREAS, City and Lessee now have agreed to modify the Lease on the terms and conditions hereinafter set forth.

NOW, THEREFORE, incorporating the foregoing recital of facts and in consideration of the mutual covenants hereinafter set forth, City and Lessee, intending to be legally bound, hereby agree as follows:

AGREEMENT:

1. RECITALS. The foregoing recitals are true and correct and are incorporated herein.

2. LEASE AMENDMENT. The Lease is hereby amended to provide that, notwithstanding any other provision thereof to the contrary, from and after the Effective Date, the following provisions:

a. Section II(A) COMMENCEMENT AND TERMINATION. Paragraph II(A) is modified to provide as follows:

"COMMENCEMENT AND TERMINATION. The term of this Lease is extended by approximately 10 years to a term of fifty (50) years from the Effective Date of this Lease Amendment expiring on March 21, 2045.

Provided Lessee is not in default at the end of the term of the Lease (March 21, 2045), Lessee shall have two successive options to extend the term of this Lease, on the same terms and conditions of this Lease, except for rent which shall be set at fair market rent as determined under the procedure described in the amended and restated Section III(D) (2) below, for two successive ten (10) year periods, by giving notice to the City before the expiration of the preceding term of this Lease."

b. Section III(A) MINIMUM RENT. Paragraph III(A) is modified to provide as follows:

"MINIMUM RENT. The minimum rent shall be paid monthly in advance as follows:

- 1) From September 1994 through August 1995, the monthly minimum rent shall be \$6,689.18 per month for a total of \$80,270.16 in the first year.
- 2) From September 1995 through August 1996, the monthly minimum rent shall be \$8,269.82 per

ATTACHMENT 1

month for a total of \$99,237.84 for that year.

- 3) From September 1996 through August 1997, the monthly minimum rent shall be \$9,850.46 per month for a total of \$118,205.52 for that year.
- 4) From September 1997 through August 1998, the monthly minimum rent shall be \$11,431.10 per month for a total of \$137,173.20 for that year.
- 5) From September 1998 through August 1999, the monthly minimum rent shall be \$13,011.74 per month for a total of \$156,140.88 for that year.
- 6) From September 1999 through August 2000, the monthly minimum rent shall be \$13,736.25 per month for a total of \$164,835 for that year.

After August 2000, this MINIMUM RENT shall be adjusted based upon a cost of living adjustment as set forth pursuant to the amended and restated Section III(D) (1) below".

c. Section III(D) ADJUSTMENT OF RENT. Adjustment of rent in Paragraph III(D) is deleted and replaced in its entirety with the following:

III(D) (1). ADJUSTMENT OF MINIMUM RENT Commencing on September 1, 2000, and thereafter on each September 1 during the term of this Lease, including any option period, MINIMUM RENT will be adjusted on an annual basis, based upon the percentage difference between the Consumer Price Index, All Urban Consumers, for San Francisco-Oakland-San Jose, California (hereinafter "CPI") between September 1 of the prior year and September 1 of the current year. The minimum monthly MINIMUM RENT shall be adjusted to an amount equal to the amount of the prior year's monthly MINIMUM RENT multiplied by the percentage increase in CPI during the one year period, provided however that the adjustment reflects a minimum increase of 2% per year and a maximum increase of 4% per year.

The index for the adjustment date shall be the one reported in the U.S. Department of Labor's newest comprehensive official index then in use and most nearly answering the description of the index to be used. If the CPI utilized herein shall no longer be

published, another generally recognized as authoritative shall be substituted by agreement of the parties. If they are unable to agree within ninety (90) days after demand by either party, the substitute index shall, on application by either party, be selected by the chief officer of the San Francisco regional office of the Bureau of Labor Statistics or its successor as the index most comparable to the CPI used herein."

"III(D)(2) ADJUSTMENT OF RENT TO FAIR MARKET RENT  
AT MIDTERM AND UPON EXERCISE OF OPTION TO EXTEND."

"On March 1, 2020, the 25th anniversary date of this Lease Amendment and at the commencement of each option period if exercised, rent will be renegotiated to fair market rent if either party determines that the then current monthly percentage amount is more or less than one and one-half percent (1.5%) above or below the then fair market rental value for the Property. Either party may then request an adjustment of rent to reflect the correct fair market rent by notifying the other party at least 180 days following the 25th anniversary date (or the commencement of each respective option period, as appropriate). Thereafter the parties shall negotiate in good faith to reach an agreement on fair market rent. If, by 300 days following the 25th anniversary date (or the commencement of each respective option period, as appropriate), an agreement cannot be reached then each party shall select an MAI certified appraiser to determine the fair market rent. If by the 26th anniversary date of this Lease Amendment (or the commencement of each respective option period, as appropriate), those two appraisers cannot agree, they shall promptly select a third MAI certified appraiser whose decision shall be binding on the parties. Each party shall bear the cost of their own appraiser and one-half (1/2) the cost of the third appraiser. The rent revision effective date shall be the 25th anniversary date of this Lease Amendment (or the commencement of each respective option period, as appropriate), despite the actual date on which the revised rent is established, if any."

ATTACHMENT 1

3. CONSISTENT AMENDMENTS. The Lease is hereby amended to the extent necessary to make it consistent with this Lease Amendment.

4. LIMITATION ON MODIFICATION. Except as specifically modified herein, the terms and conditions of the Lease shall remain in full force and effect as executed. This Lease Amendment is a modification of terms only as set out herein, leaving in effect all features of the Lease, except as specifically or necessarily modified hereby.

5. PARTIES BOUND. The Lease Amendment shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, and assigns.

6. GOVERNING LAW. All questions with respect to the construction of this Lease Amendment and the rights and liabilities of the parties hereto shall be determined in accordance with the applicable provisions of the laws of the State of California.

7. NO FURTHER AMENDMENT. The Lease cannot be further amended except by an instrument in writing and signed by the party against whom such amendment is asserted.

IN WITNESS WHEREOF, City and Lessee have executed this Lease Amendment as of the date first set forth above.

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CITY OF MONTEREY

Approved by Monterey the  
Redevelopment Agency of  
Monterey, an agency of a  
municipal corporation  
on March 21, 1995

Resolution No. 776A

APPROVED AS TO FORM:

W. J. St.  
City Attorney

City of Monterey, a Municipal  
Corporation

By: Paul J. St.  
Mayor

Redevelopment Agency of the City of  
Monterey, an agency of the Municipal  
Corporation

By: Samuel R. St.  
Agency Chairperson

ATTEST:

By: C. Parker  
City Clerk

Lessee:

Dated: 9.26, 1995

HOTEL PACIFIC LIMITED PARTNERSHIP,  
a Georgia limited partnership

By: Carlyne

s:\property.95\hotcpac.fic

ATTACHMENT 1

REDEVELOPMENT AGENCY  
OF THE  
CITY OF MONTEREY  
LEASE AMENDMENT NO. 2

HOTEL PACIFIC

This Second Amendment to Lease ("Lease No. 2) is made by and between the REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY, an agency of a municipal corporation and THE CITY OF MONTEREY, a municipal corporation (collectively "CITY"), and NOT ON CANNERY ROW, LLC, a California limited liability company, (hereinafter referred to as "Lessee"), as of January 1, 2004, ("Effective Date").

RECITALS:

WHEREAS, On October 29, 1984 City and John Barleycorn, Inc., executed a Lease, in which City agreed to lease and Lessee agreed to rent real property known as Pacific Street Hotel, located in Monterey County, California and more particularly described in the Lease (the "Property");

WHEREAS, the Lease was assigned to Hotel Pacific Limited Partnership, a Georgia limited partnership, on December 7, 1993, then assigned to Olympus Huron-California Partnership on March 13, 1996, then assigned to P.W. Acquisitions, XI, LLC, a Delaware limited liability company, on August 11, 1998 and subsequently, on April 9, 2002, assigned to Not On Cannery Row, LLC, a California limited liability company ("Lessee"), which Lease was amended on March 21, 1995 by Lease Amendment No.1;

WHEREAS, on December 2, 2004, the Redevelopment Agency adopted Resolution No. 816, authorizing and approving the amending of this Lease; and

WHEREAS, City and Lessee now have agreed to amend the Lease on the terms and conditions hereinafter set forth;

NOW, THEREFORE, incorporating the foregoing recital of facts and in consideration of the mutual covenants hereinafter set forth, City and Lessee, intending to be legally bound, hereby agree as follows:

AGREEMENT:

1. RECITALS. The foregoing recitals are true and correct and are incorporated herein.

2. LEASE AMENDMENT. The Lease is hereby amended to provide that, notwithstanding any other provision thereof to the contrary, from and after the Effective Date, the following provisions:

a. Section II (A) COMMENCEMENT AND TERMINATION. Paragraph II (A) as previously amended is hereby deleted and replaced in its entirety to read, as follows:

COMMENCEMENT AND TERMINATION. The term of this Lease shall be fifty-five (55) years, commencing from the Effective Date of this Lease Amendment No. 2 and expiring on December 31, 2058.

OPTION TO EXTEND. Provided Lessee has not theretofore sold, transferred, assigned, mortgaged or hypothecated this Lease, or any interest therein, nor sublet all or any part thereof to any third party, and further provided that Lessee is not then in default, and that there is no uncured default then in effect in the performance of any of Lessee's obligations under said Lease, City hereby grants to Lessee two (2) successive options for two successive ten (10) year periods hereinafter specified (the "Option Terms"), which said Option Terms shall be subject to all the provisions of this Lease, except the Minimum Annual Rental payable to City shall be set at Fair Market Value as determined under the procedure set forth hereinafter in Section III (D) (2). Such First Option Term shall commence on January 1, 2059, and shall terminate on December 31, 2068. To exercise the first option, Lessee shall give City notice in writing by registered or certified mail, postage prepaid, with return receipt requested, addressed to City at City's address for notices provided herein, not sooner than January 1, 2058, and not later than March 31, 2058. Option shall be at the mutual consent of City and Lessee.

Provided Lessee has not theretofore sold, transferred, assigned, mortgaged or hypothecated this Lease, or any interest therein, nor sublet all or any part thereof to any third party, and further provided that Lessee is not then in default, and that there is no uncured default then in effect in the performance of any of Lessee's obligations under said Lease, City hereby grants to Lessee a second option term to extend the term of this Lease for one (1) additional period hereinafter specified (the "Second Option Term" which said Second Option Term shall be subject to all the provisions of this Lease, except the Minimum Annual Rental payable to City shall be set at Fair Market Value as determined under the procedure set forth hereinafter in Section III (D) (2). Such First Option Term shall commence on January 1, 2069, and shall terminate on December 31, 2078. To exercise the first option, Lessee shall give City notice in writing by registered or certified mail, postage prepaid, with return receipt requested, addressed to City at City's address for notices provided herein, not sooner than January 1, 2068, and not later than March 31, 2068. Option shall be at the mutual consent of City and Lessee.



ATTACHMENT 1

b. Section III (B) PERCENTAGE RENT. Paragraph III (B) is hereby deleted and replaced in its entirety to read as follows:

Section III (B) PERCENTAGE RENT. Commencing January 1, 2004, in addition to the fixed Minimum Annual Rent, Lessee shall pay City the amount by which seven percent (7%) of the Gross Income, as defined in Subsection III (E), made from or upon the premises during each calendar Quarter exceeds the amount of Minimum Rent paid during such calendar Quarter.

The following shall apply to percentage rent as provided in this Lease:

1. "Quarter" Defined. "Quarter" as used herein refers to the periods ending March 31, June 30, September 30, and December 31 of each calendar year, January 1-December 31. K

2. Percentage Rent Computation. Percentage Rent shall be computed each calendar month and on or before the fifteenth (15<sup>th</sup>) day of the calendar month immediately following the close of each calendar month, Lessee agrees to furnish or cause to be furnished to City a statement of Gross Sales as defined in Subsection III (E).

3. Due Date. Percentage rent shall be due on the first day of the month next following the end of the Quarter (April 1, July 1, Oct 1, and January 1) and shall be paid each Quarter within fifteen (15) calendar days after the due date; and delinquent on the sixteenth (16<sup>th</sup>) calendar day after the due date; and shall be determined on the basis of the Gross Sales and business transacted each month during the preceding Quarter.

4. Due Date Adjustment. The percentage rent payment due after the Quarter ending June 30 of each calendar year shall be adjusted to reflect correct and accurate percentage rents for the proceeding twelve (12) month period. Lessee shall reconcile any previous overpayment or underpayment at this time, and shall report any discrepancies within fifteen (15) days.

c. SECTION III (C) TIME AND PLACE OF PAYMENT AND PENALTIES. The sentence "Percentage rent shall be due and payable on the 15<sup>th</sup> of February for the preceding calendar year and delinquent on the 1<sup>st</sup> of March following the calendar year for which it is due." Is hereby deleted.

d. Section III (D) (2) ADJUSTMENT OF RENT TO FAIR MARKET RENT AT MIDTERM AND UPON EXERCISE OPTION TO EXTEND. Paragraph III (D)(2) as previously amended is hereby deleted and replaced in its entirety to read as follows:

Section III (D) (2) ADJUSTMENT OF RENT TO FAIR MARKET RENT. On January 1, 2020, and on January 1, 2045 and at the commencement of each option period if exercised, (the "Rent Adjustment Dates"), rent will be renegotiated to fair market rent (the "Adjusted Rent") if either party determines that the then current monthly percentage amount is more or less than one and one-half percent (1.5%) above or below the then fair market rental value for the Property. Either party may then request an adjustment of rent to reflect the correct fair market rent by notifying the other party at least 180 calendar days following the Rent Adjustment Date or commencement of each respective option period, as appropriate. Thereafter the parties shall negotiate in good faith to reach an agreement on fair market rent. If, by 300 calendar days following the Rent Adjustment Date or the commencement of each respective option period, as appropriate, an agreement cannot be reached then each party shall select an MAI certified appraiser to determine the fair market rent. If by the January 1, 2021 and January 1, 2046 or the commencement of each respective option period, as appropriate, those two appraisers cannot agree, they shall within fifteen (15) calendar days select a third MAI certified appraiser whose decision shall be binding on the parties. Each party shall bear the cost of their own appraiser and one-half (1/2) the cost of the third appraiser. The Adjusted Rent's effective dates shall be January 1, 2020 and January 1, 2045 or the commencement of each respective option period, as appropriate, despite the actual date on which the Adjusted Rent is established, if any.

3. CONSISTENT AMENDMENTS. The Lease is hereby amended to the extent necessary to make it consistent with this Lease Agreement.

4. NO OTHER MODIFICATIONS. Except as hereinabove amended and modified, said Lease as heretofore amended by Lease Amendment No. 1 remains in full force and effect, and has not been otherwise amended or modified.

5. PARTIES BOUND. The Lease Amendment shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, and assigns.

6. GOVERNING LAW. All questions with respect to the construction of the Lease Amendment and the rights and liabilities of the parties hereto shall be determined in accordance with the applicable provisions of the laws of the State of California.

7. NO FURTHER AMENDMENT. The Lease cannot be further amended except by an instrument in writing and signed by the party against whom such amendment is asserted.

ATTACHMENT 1


IN WITNESS WHEREOF, City and Lessee have executed this Lease Amendment as of the date first hereinabove set forth.

## CITY OF MONTEREY:

Approved by Monterey the  
Redevelopment Agency of  
Monterey, an agency of a  
Municipal Corporation on  
December 2, 2003

Resolution No 816

Approved as to Form:

  
\_\_\_\_\_  
City Attorney

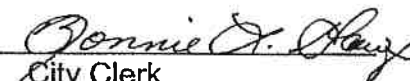
City of Monterey, a Municipal  
Corporation

By:   
\_\_\_\_\_  
Mayor

Redevelopment Agency of the  
City of Monterey, an agency of  
The Municipal Corporation

By:   
\_\_\_\_\_  
Agency Chairperson

Attest:

By:   
\_\_\_\_\_  
City Clerk

LESSEE: 01/05/2004  
Dated: 12/22, 2004

NOT ON CANNERY ROW, LLC  
a California limited liability  
company

By:   
\_\_\_\_\_

EXHIBIT C

## LIST OF ADDRESSES FOR NOTICE PURPOSES

Monterey Successor Agency 580 Pacific Street Monterey, CA 93940 Attn: Executive Director	City of Monterey 580 Pacific Street Monterey, CA 93940 Attn: City Manager
County of Monterey 168 West Alisal Street, 3 <sup>rd</sup> Floor Salinas, CA 93901 Attn: County Administrative Officer	Monterey Peninsula Unified School District 700 Pacific Street Monterey, CA 93940 Attn: Superintendent
Monterey County Water Resources Agency 1441 Schilling Place Salinas, CA 93901 Attn: General Manager	Monterey County Office of Education 901 Blanco Circle Salinas, CA 93901 Attn: County Superintendent
Monterey Peninsula Water Management District 5 Harris Court, Building G Monterey, CA 93940 Attn: General Manager	Monterey Peninsula College 980 Fremont Street Monterey, CA 93940 Attn: President
Monterey Regional Park District P.O. Box 223340 Carmel, CA 93922 Attn: General Manager	

ATTACHMENT 1EXHIBIT DILLUSTRATIVE DISTRIBUTION OF RESTRICTED PROCEEDS AND  
APPLICABLE SHARES

Below is an illustrative distribution of Restricted Proceeds and Applicable Shares of the Taxing Entities that would have applied to a distributions under Section 6 of the Compensation Agreement, had such distribution been made on January 1, 2016. Parties acknowledge that the restrictions of the Closeout Agreement and the Lease, result in none of the lease revenue funds or the property disposition funds being distributed to any other entity or used for anything other than as program income of the City under the provisions of 24 CFR 570.506.

<u>Taxing Entity/Fund</u>	<u>Restricted Funds Share</u>	<u>Property Tax Share</u>
City of Monterey	100%	17.29%
Monterey County	0%	13.81%
Monterey County Water Resources Agency	0%	0.10%
Monterey County Water Resources Agency Zone 11	0%	0.02%
Monterey Regional Park District	0%	1.02%
Monterey County Office of Education	0%	2.79%
County School Service Fund		
Charter School Fund		
SELPA Pass-Through Fund		
Child Development Fund		
Deferred Maintenance Fund		
Forest Reserve Fund		
Special Reserve – Other		
Special Reserve – Capital		
Outlay		
Monterey Peninsula Unified School District	0%	45.90%
Monterey Peninsula College	0%	4.96%
ERAF	0%	13.59%
Monterey Peninsula Water Management District	0%	0.51%

**TOTAL**

**100%**

**99.99%**

**Joel Pablo**

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**From:** Winston.Stromberg@lw.com  
**Sent:** Monday, October 17, 2022 2:43 PM  
**To:** comments; Karen Paull; District 5; Alvin Edwards; George Riley; Safwat Malek; Amy Anderson; Clyde Roberson  
**Cc:** ian.crooks@amwater.com; kathryn.horning@amwater.com; DJ.Moore@lw.com  
**Subject:** MPWMD Oct. 17, 2022 Special and Regular Meeting Agenda Item 8: letter on behalf of California American Water  
**Attachments:** MPWMD Agenda Item 8 - 10-17-2022 CalAm letter to MPWMD Board.pdf

Dear Members of the Board:

Please see the attached correspondence on behalf of California American Water regarding Agenda Item 8 on today's agenda.

Very truly yours,

**Winston P. Stromberg**

**LATHAM & WATKINS LLP**

355 South Grand Avenue, Suite 100  
Los Angeles, CA 90071-1560  
Direct Dial: +1.213.891.8983  
Email: [winston.stromberg@lw.com](mailto:winston.stromberg@lw.com)  
<https://www.lw.com>

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**LATHAM & WATKINS** LLP

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Houston	Singapore
London	Tel Aviv
Los Angeles	Tokyo
Madrid	Washington, D.C.

October 17, 2022

**VIA EMAIL**

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

Re: MPWMD Board of Directors October 17, 2022 Special and Regular Meeting,  
 Item 8: Resolution No. 2022-31

Dear Chair Paull and Members of the Board:

On behalf of California American Water Company (“CalAm”), this letter addresses the MPWMD Board’s consideration of proposed Resolution No. 2022-31 (the “Resolution”), which purports to clarify MPWMD’s requirements for CalAm to obtain an amendment to its water distribution system permit for the Monterey Peninsula Water Supply Project (“MPWSP”). The Resolution also would direct MPWMD’s General Manager to notify other regulators with permit authority over the MPWSP that CalAm has not yet applied for or received an amendment to its water distribution system permit. The Resolution misconstrues and overstates MPWMD’s jurisdiction by asserting that an amendment to CalAm’s water distribution permit is necessary before CalAm may construct the MPWSP. Because MPWMD does not have pre-construction jurisdiction and for the reasons set forth below, the Board should reject the Resolution as currently drafted.

First, the Resolution appears to exceed MPWMD’s jurisdiction. The majority of the MPWSP’s infrastructure, including its proposed slant intake wells in the City of Marina, the desalination plant in the unincorporated County, and the pipeline infrastructure associated with those project components, would be constructed *outside* of MPWMD’s boundaries and therefore outside of its jurisdiction. MPWMD Rule 11 defines a “Water Distribution System” as “all works *within the District* used for the collection, storage, transmission or distribution of water from the Source of Supply to the Connection of a system providing water service to any Connection including all Water-Gathering Facilities and Water-Measuring Devices.” (Emphasis added.) Therefore, consistent with this definition, MPWMD does not have permitting authority over construction of any component of the MPWSP that would be built outside of MPWMD’s boundaries. As such, Section 1 of the proposed Resolution only can be read to apply to portions of the MPWSP within MPWMD’s boundaries.

Second, Section 4 of the Resolution is unnecessary. Since the CPUC approved the MPWSP and certified its Final Environmental Impact Report and Final Environmental Impact Statement (“EIR/EIS”) in 2018, CalAm has been working to seek and obtain approvals from



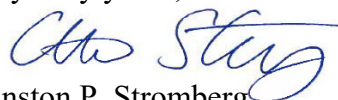
**LATHAM & WATKINS** LLP

various governmental agencies for different components of the MPWSP. Currently, CalAm's coastal development permit application (and appeal of Marina's denial of a local coastal development permit) is pending before the Coastal Commission, with a hearing scheduled for November 17, 2022. The MPWSP EIR/EIS identifies more than two dozen necessary permits and approvals for the MPWSP, including that CalAm obtain MPWMD's approval of an amendment to its water distribution system permit. (See EIR/EIS, Table 3-8.) Accordingly, other responsible agencies, such the Coastal Commission and State Lands Commission, are well aware that MPWMD has permitting authority over certain aspects of the MPWSP. Passing a resolution notifying other agencies of CalAm's permitting status is neither necessary nor germane to those agencies' separate permitting authority.

Third, CalAm is concerned that the Resolution appears to misconstrue MPWMD's limited authority over the construction of components of the MPWSP located within MPWMD's boundaries. Section 1 of the Resolution states that CalAm must obtain the amended permit "prior to initiating construction of facilities" pursuant to District Rules 21.C. and 22.E. This statement is not supported by MPWMD's Rules applicable to modifications to water distribution system permits. Specifically, Rule 21.C. and Rule 22.E. do not state that applications for water distribution system amendments must be processed prior to initiation of construction. Nor does any applicable MPWMD Ordinance. As to *initial* permits for a water distribution system, Rule 20.A. states that "[b]efore any Person ***Creates or Establishes*** a Water Distribution System . . . , such Person shall either obtain a written Confirmation of Exemption from the Water Distribution System Permit requirements or a Water Distribution System Permit from the [MPWMD]." (Emphasis added.) Rule 11 defines "Create a Water Distribution System" and "Establish" to mean "the construction and operation of a Water Distribution System." Rule 20.A. and Rule 22.E. also state that before a water distribution system can be modified, expanded, or its supply sources changed, MPWMD must approve an amendment to the existing water distribution system permit. However, neither of these Rules use the terms "Create a Water Distribution System" or "Establish" in connection with modifications to an existing system with an existing permit. While approval of an amendment to a water distribution permit may be required prior to MPWSP operation, the Rules cannot be read so broadly as to require such approval for construction alone. Thus, the Resolution appears to be an attempt to take a position that exceeds MPWMD's authority for considering amendments to existing water distribution permits.<sup>1</sup>

MPWMD's proposed Resolution is unnecessary, exceeds MPWMD's authority, and should not be adopted as drafted. Thank you for your consideration of these comments.

Very truly yours,



Winston P. Stromberg  
of LATHAM & WATKINS LLP

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<sup>1</sup> This letter should not be read as constituting all of CalAm's positions with respect to MPWMD's jurisdiction over the components of the MPWSP, and, as such, CalAm reserves the right to make additional or different arguments in the future. For instance, CalAm notes that the proposed Resolution *may* interfere with the CPUC's constitutional authority to regulate public utilities' production, storage, treatment, transmission and distribution of water.

**LATHAM & WATKINS** LLP

cc: Ian Crooks, California American Water Company  
Kathryn Horning, California American Water Company  
DJ Moore, Latham & Watkins LLP

Distributed to the MPWMD Board of Director's, General Manager and  
District Counsel on Monday, October 17, 2022

**Joel Pablo**

---

**From:** Michael Baer <mgbisme@yahoo.com>  
**Sent:** Monday, October 17, 2022 7:48 PM  
**To:** Joel Pablo  
**Subject:** Fw: Baer to Luster with questions and comments on Cal AM CDP

Joel,

Please send this around to the Board members, Mr. Stoldt and Mr. Loreda.

Perhaps I can be the first letter in the November hearing which I believe will be after the Coastal Commission meeting in Salinas.

Cheers all,

Michael B.

----- Forwarded Message -----

**From:** Michael Baer <mgbisme@yahoo.com>  
**To:** Tom Luster <tluster@coastal.ca.gov>  
**Sent:** Monday, October 17, 2022 at 07:24:02 AM PDT  
**Subject:** Baer to Luster with questions and comments on Cal AM CDP

Good morning Tom,

I have *italicized* the parts of this email that seek a response to a question or ask for your action.

So here we are again, and I have some comments and questions for your consideration and for the record, in compiling your staff report regarding Cal Am's application for a CDP of its ill-conceived desal plant. As always, it is my attempt to offer comments or questions that may not be being asked by others, to add something to the overall inquiry, to more fully vet the process.

Although its been delayed over two years since they pulled the application in the last minute back in 2020, it is still far from ready for prime time.

I understand that they are now seeking to downsize the plant to a 4,800 afy instead of a 6,400 afy which itself was downsized from their original ask of 9600 afy. Actually, they want to phase it up 6400 afy over time. Back in the early days of the long and winding story with the CPUC, the 4800 option was viewed to be infeasible due to economies of scale; i.e. It's even MORE expensive to make a smaller plant in terms of the cost per acre foot. Undoubtedly it is also more expensive to build it at 4800 then expand it to 6400 later, than build it out in one effort. And it is not needed for the next 20-30 years if we get the M1W expansion. Plus, I have not heard that Cal Am has gone back to the CPUC, who is the lead agency, to seek approval for the downsized version. If that approval has not been secured, then Cal Am's application is not ready for prime time.

Also, when we last "spoke" by email, you shared that Cal Am and Monterey One had come to an agreement on the outfall liner. While they may have verbally agreed to the basic structure of the agreement, the agreement is by no means finalized. Monterey One has agendized the issue for it's Oct 31 board meeting, but there is a strong push within the community to place a contingency on that agreement, that it will not be valid or executed until the Water Purchase Agreement for the M1W expansion of Pure Water recycling is signed, sealed and

delivered. That is also still in process. The ALJ approved the agreement recently and it is scheduled to be before the full CPUC Commission in the first week of November. Assuming that is approved which is not guaranteed, it will still take another 30-60 days before all parties will sign off on the document. Once again, not ready for primetime until after Thanksgiving at the earliest.

Since we are on the subject of the outfall, I am still unclear to what extent the diffusers have been proven to effectively disperse the brine. I expressed concerns about that years ago. The fact that the outfall terminus is in a flat-bottomed topography suggests the possibility that the brine might lay in an ever growing bolus, creating a deadzone due to increasing salinity. It is the type of topography that is often associated with a squid nursery. Because the current outfall from M1W operations is brackish, it will tend to float upward and disperse easily in the water column, creating no harm to such a nursery. The opposite is true for brine. It tends to sink and collect. So my questions are; *a) Has a biosurvey been done of the area at the outfall terminus to establish a baseline of sea life? and b) What is the plan for monitoring the outfall regularly in the eventuality that brine makes it way out, to ensure that critical habitats are not being damaged?*

In another line of inquiry, I have recently learned that Cal Am has said that any future slant wells will be a 1000 feet long. That was also their original plan for the test well, but they only made it to 735 feet. *PLEASE ASK Ian Crooks why they stopped the drilling at 735 feet? Ask him how many drill motors burnt out trying to drill further?*

He will probably reply something about snowy plover nesting season, but I believe the reason they stopped is because when they encountered the aquitard at that distance and at that angle, they simply could not apply the torque necessary to penetrate and get through the substrate.

It's a good thing too. *What happens when you perforate an aquitard which is holding brackish water above it. Does it exacerbate seawater intrusion? Are there any examples where this has been done elsewhere in the world?* I asked these questions of the CPUC, but they do not do science, so they ignored the question. They do not have the staff to address such a question. Unlike the CCC.

My final point on this email also relates to the test slant well. You can see from the TAC (Technical Advisory Committee) report excerpt below, which was an adjunct of the Mayors' Authority (remember them? thankfully disbanded now) that they had a problem with removing the external casing and so a 25% portion of the intake was rendered useless. Cal Am says it didn't affect the overall intake target of 2100gpm, but that is hard to believe, and there has been no explanation offered on how that is possible. *Please Ask Ian Crooks what changes have been made to the drilling protocols so that such a situation with the casing will not arise if future slant wells are drilled?*

They still have no plan to extract the stranded casing because they lost interest in solving that problem when it did not impede their next step. They still don't know how to do it, though. It has been more than seven years since the problem occurred, but they have done nothing to try to figure it out so that it won't happen if they ever get permission to dig more wells.

**Source: MPRWWA TAC meeting, 7/16/15, Item #2, Packet Page 31 (labeled pg,31 but for print enter pg 33, quote below is on print page 34 last paragraph)**

**“Due to concerns about coastal margin erosion and sea level rise, the test slant well at the CEMEX facility starts nearly 600 ft inland from the coastline. Consequently, it barely reaches coastline where it is at a depth of approximately 200 feet. Drilling and construction of the test slant well was challenging and the drill rig was unable to retract a portion of temporary casing, which remains in the ground and limits flow into 150-ft-length of the nearly 600-ft-long well screen.**

**However based on more than one month of test pumping at 2000 gpm, the test slant appears to be capable of producing the design flow rate of ~2100 gpm. "**

Thanks for your time Tom. I know you are a busy guy, but I hope you can make the inquiries of Mr. Crooks that I have outlined here. There are still so many unresolved issues, but these are a couple that might not otherwise make your radar.

Regards,

Michael B.

# MONTEREY COUNTY



## COUNTY ADMINISTRATIVE OFFICE

Nicholas Pasculli  
County Communications Director  
[pascullin@co.monterey.ca.us](mailto:pascullin@co.monterey.ca.us)  
(831) 905-9632

### FOR IMMEDIATE RELEASE

Monday, October 17, 2022

#### **Statement from County of Monterey Chief Administrative Officer, Charles McKee**

“Today Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023. This timeline gives our Office of Emergency Services and Health Department ample time to demobilize and to look ahead to managing what most would agree is an evolving and on-going public health challenge.

What this means for the County of Monterey specifically will be determined over the coming weeks. We will however remain strong proponents for our residents who live here and those who work here of getting fully vaccinated. Science has proven time and time again that vaccinations are our best defense against COVID-19.

Our County Health Department, Natividad, and our other public and private sector partners in community health have been planning for this day as well as a potential surge that may occur after the holidays in January and February. Coupled with health experts’ expectation that we will experience a very challenging Flu season, making it more important for our community members to get both COVID boosters and Flu shots.

There is nothing more important to our Board of Supervisors and our County’s Healthcare Professionals than the health and wellbeing of our residents. The County of Monterey will continue to beat the drum of prevention and reasonable measures to protect our people and our economy.”

March 10, 2020, marked the date the County of Monterey Board of Supervisors approved the County’s Emergency Proclamation. County of Monterey COVID-19 timeline is available at the link below.

<https://www.co.monterey.ca.us/government/departments-a-h/administrative-office/office-of-emergency-services/response/covid-19>

###

**Joel Pablo**

---

**From:** Michael Baer <mgbisme@yahoo.com>  
**Sent:** Tuesday, October 18, 2022 10:46 AM  
**To:** Joel Pablo  
**Subject:** Baer on Cal Am

Hi Joel,

Once again please distribute this letter to Board Members, and the two Daves. Thank you.

Greetings all,

Last night I spoke out of turn, but I want to keep the thread of my comment alive. The fact is that Cal Am hasn't updated its cost estimate for the desal plant since it's NOI in 2011. Chair Paul briefly referenced that fact last night when she suggested the rising cost of construction and other inflationary pressures have not been adequately considered.

How can the CPUC or the Coastal Commission make final decisions about billion dollar infrastructure without at least reasonable and recent cost estimates for the project? I know that you are in negotiations/litigations and so I ask you to advocate wherever there might be leverage, for Cal Am to be responsible, and update its cost estimates for desal.

Thank you for your consideration on this ask, and thank you for all the diligent work you are doing.

Regards,

Michael B.



## HAYASHI | WAYLAND

October 18, 2022

David Stoldt, General Manager  
Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93942

RECEIVED

OCT 21 2022

MPWMD

Dear David,

I'm writing to inform you of some exciting news coming soon at Hayashi Wayland.

For almost 50 years we have been serving clients in Central California, carrying on the legacy that our founding partners Douglas Hayashi and Warren Wayland, and many others established over the decades. This legacy was built on three ideals: treat our employees like family, provide our clients with the highest quality of service possible and give back to our communities. We lived this out each day by striving to follow our guiding principles of Care, Excellence, Gratitude, Humility, Integrity, Respect and Stewardship.

Over the years, HW has been through monumental change. Our firm started with two people in one office serving only a handful of clients in Salinas. We now have over 80 people in the HW family working from five different states, serving nearly 4,000 clients in four office locations throughout Central California. We have been part of a technological revolution which completely changed the way we do our work and serve clients. In order for us to be successful through this period of time, we had to adapt to change and embrace new ways of doing business.

Recently it has become increasingly clear to us that in order to continue to thrive and lead the way in providing the best opportunities to our HW family and our clients with the quality of service and resources they require, we may need to align Hayashi Wayland with a firm that shares our vision and culture and will leverage the legacy we've built and make it even better. After several years of discernment, we are very pleased to announce that we have found that firm and have made the decision to join them. We are excited to share that our partners and team members will join CLA (CliftonLarsonAllen LLP) on November 1, 2022.

Why did we choose CLA? CLA is a national professional services firm that, like us, has developed an approach to serving others which is grown out of a passion for the people and businesses in our communities and a deep concern for their success. We chose CLA because they best fit our culture and our guiding principles and after spending a year getting to know them, we believe they understand Hayashi Wayland and our business model better than any other firm we considered. Like us, they believe in treating their employees like family and serving clients in smaller communities like ours. They also focus on serving closely held businesses rather than publicly traded companies and they share a passion for the same industries we serve: agriculture; hospitality; non-profit organizations, just to name a few. We chose CLA, so we can offer you even deeper knowledge and capabilities when you need it — while retaining the agility we have today.





October 18, 2022

Page 2

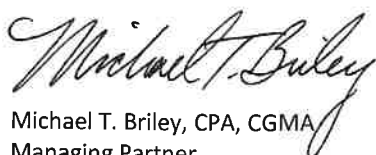
**What will this change mean for you?**

- You will continue working with the same team as you are today.
- We'll continue serving you as we have in the past, with even more resources for your ongoing needs.
- The fee structure for the services that you receive won't change. However, you will now see a 5% tech fee broken out on invoices to support a secure technology environment to help protect sensitive client data. In the past, similar technology costs in our fee structure were included in the total billing. Therefore, this is not an increase in cost, rather a different method of invoicing for those costs.
- We are staying in our current locations, with the same phone and fax numbers.
- Our email addresses will migrate to a CLA format; however, our existing email addresses will continue to function for a period of time.

All told, this transition should feel seamless. Take a look at [CLAAconnect.com](https://CLAAconnect.com) to get a feel for CLA — creating opportunities for clients, people, and communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services.

Thank you for your business over the years, I am truly grateful for it. We look forward to continuing to serve you and we trust that you will be pleased with the service you receive from us once we become members of the CLA family. If you have any questions or concerns, please don't hesitate to contact me directly.

Sincerely,



Michael T. Briley, CPA, CGMA  
Managing Partner  
Hayashi Wayland

*CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.*



1112 I Street, Suite 300  
 Sacramento, California 95814-2865  
 T 916.231.4141 or 800.537.7790 \* F 916.231.4111

Maximizing Protection. Minimizing Risk. \* [www.sdrma.org](http://www.sdrma.org)

October 18, 2022

Ms. Karen Paull  
 Board Chair  
 Monterey Peninsula Water Management District  
 Post Office Box 85  
 Monterey, California 93942

**RECEIVED**

**OCT 24 2022**

**MPWMD**

**Re: No Paid Property/Liability Claims in 2021-22**

Dear Ms. Paull,

This letter is to formally acknowledge the dedicated efforts of the Monterey Peninsula Water Management District's Governing Body, management, and staff towards proactive risk management and loss prevention training. Your agency's efforts have resulted in no "paid" property/liability claims for program year 2021-22. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. This is a great accomplishment!

In addition to this annual recognition, members with no "paid" claims during 2021-22 earned one credit incentive point (CIP), thereby reducing their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to us at [memberplus@sdrma.org](mailto:memberplus@sdrma.org).

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management, and staff for their commitment to proactive risk management and loss prevention training.

Sincerely,  
 Special District Risk Management Authority

Mike Scheafer, President  
 Board of Directors

**Joel Pablo**

---

**From:** Wandzia Rose <wandziarose@gmail.com>  
**Sent:** Tuesday, October 25, 2022 1:34 PM  
**To:** Joel Pablo  
**Subject:** No Desal Needed!

FYI

Marvin and Wandzia Rose  
 6000 Brookdale Drive  
 Carmel, CA 93923

24 October 2022

California Coastal Commission  
 725 Front Street #300,  
 Santa Cruz, CA 9506  
 VIA email: [CalAmMonterey@coastal.ca.gov](mailto:CalAmMonterey@coastal.ca.gov)

Dear California Coastal Commission Members:


**DESAL IS NOT NEEDED!** Please **stop the California American Water Desalination project** as it is not needed and very costly monetarily and environmentally to the residents of Monterey County, Carmel Valley and the flora and fauna of the Carmel River.

When completed in two years, the next phase of the Monterey Peninsula Water Management District Pure Water Monterey project will solve the Monterey Peninsula's long-standing water supply problems. The Pure Water Monterey Expansion will provide all the water needed for housing and growth for the next 30 years, drought or no drought. This project provides a clean, safe and sustainable source of water for Monterey County. In addition, it emphasizes advanced water recycling technology, replenishment of the groundwater supply and protection of the environment.

In January of this year, Pure Water Monterey reached its initial goal of producing enough water to allow Cal Am to stop over drafting the Carmel River. As residents of Carmel Valley and property owner on and in the Carmel River, we need the Pure Water Monterey project to return the river to its previous flow rates year-round. The river on our property dries up for three to six months of the year stopping the migration of protected and threatened species of Central California Coast Steelhead.

Upon completion of the new Pure Water Monterey Expansion two years from now, it will provide enough water to lift the cease-and-desist order on the Carmel River and deliver all the water we need. **NO DESAL NEEDED!**

Respectfully,

  
 Marvin A. Rose  
 Registered California Civil Engineer

  
 Wandzia Rose

Marvin and Wandzia Rose  
6000 Brookdale Drive  
Carmel, CA 93923

24 October 2022

California Coastal Commission  
725 Front Street #300,  
Santa Cruz, CA 9506  
VIA email: [CalAmMonterey@coastal.ca.gov](mailto:CalAmMonterey@coastal.ca.gov)

Dear California Coastal Commission Members:

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Upon completion of the new Pure Water Monterey Expansion two years from now, it will provide enough water to lift the cease-and-desist order on the Carmel River and deliver all the water we need. **NO DESAL NEEDED!**

Respectfully,



Marvin A. Rose  
Registered California Civil Engineer



Wandzia Rose



**Monterey Peninsula Taxpayers Association  
PO Box 15 – Monterey – CA - 93942**

October 27, 2022

David Stoldt  
General Manager  
Monterey Peninsula Water Management District

RE: Nomination of John Tilley as MPTA representative on Ordinance 152 Oversight Committee

BY : Email

Dear Mr. Stoldt:

This letter nominates John Tilley on behalf of MPTA for the Ordinance 152 Oversight Committee (O/S/C).

Please let me know if you need anything else from MPTA with respect to this nomination.

Sincerely yours,

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Heuer", is written over a horizontal line.

Rick Heuer  
President



November 1, 2022

Mr. John Ainsworth  
Executive Director  
California Coastal Commission  
455 Market Street  
San Francisco, CA 94105

Via Email

**RE: Cal-Am's CDP Application #9-20-0603**

Dear Mr. Ainsworth:

On September 6, 2022 I notified you that the California American Water Company's (Cal-Am) CDP Application #9-20-0603 was not ripe for Coastal Commission consideration due to an on-going California Public Utilities Commission (CPUC) proceeding.

We understand that you have waived 14 Cal. Code Regs. § 13052, which states "a permit application shall not be accepted for filing by the Executive Director unless all such governmental agencies have granted at a minimum their preliminary approvals for said development, except as provided in section 13053." However, at this time we count at least nine unresolved or incomplete regulatory issues:

- Cal-Am's Monterey County permits were revoked subject to additional environmental review. This issue is in the Superior Court and many months from resolution;
- Cal-Am's exclusive negotiating agreement with Monterey One Water for use of their outfall has expired, an additional party has expressed desire to also utilize the outfall, and no agreement is in place with either party;
- The State Lands Commission has not agreed to a lease for the project's intake wells;
- On October 3, 2022 the State Water Board removed Cal-Am its Intended Use Plan for state revolving loan funding of \$279.2 million due to a "lack of progress";
- Cal-Am has not applied for an amendment to its Water Distribution System permit through our District (see Resolution attached);
- Marina Coast Water District contends that Cal-Am has no rights to take water from the CEMEX site and water extractions there are limited by an agreement with CEMEX's predecessor Lonestar Cement. That case is currently being heard in Superior Court.
- The CPUC has on-going proceedings regarding supply and demand for additional water supplies that are expected to continue into March 2023;
- The CPUC has previously approved only a 6.4 MGD plant and specifically discouraged the 4.8 MGD plant as little to no ratepayer savings, less water, no contingency, increased environmental impacts, and so on. Cal-Am would likely need to revisit its CPUC permission to build the plant to pursue a phased approach;

Mr. Ainsworth  
Page 2 of 2  
November 1, 2022

and

- The CPUC's cost cap for the project is \$279.1 million. To expend funds that Cal-Am intends to recover from ratepayers beyond the capital cost cap, Cal-Am must file a petition to modify the CPUC decision. The Construction Cost Index since the last estimate would imply costs for the project far in excess of the CPUC cost cap.

We hope the Coastal Commission will defer action on CDP Application #9-20-0603. Given the number of unresolved issues, there is a significant likelihood that the project will need to come back before you.

Sincerely,



David J. Stoldt  
General Manager

cc: Dan Carl, Coastal Commission  
Tom Luster, Coastal Commission  
Zita Kline, CPUC  
Kenneth Foster, State Lands Commission  
Charles McKee, Monterey County  
Layne Long, City of Marina  
Rem Scherzinger, Marina Coast Water District  
Paul Sciuto, Monterey One Water





**Final**

**RESOLUTION NO. 2022-31**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CONFIRMING DISTRICT PERMIT AUTHORITY ASSOCIATED WITH RECEIPT OF  
DESAL PLANT PRODUCT WATER INTO THE CALIFORNIA AMERICAN WATER  
COMPANY WATER DISTRIBUTION SYSTEM**

**WHEREAS**, The Monterey Peninsula Water Management District ("District") is organized and exists under the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, and published at Water Code Appendix, Section 118-1, et seq.) ("District Law"); and

**WHEREAS**, Pursuant to Section 325 of the District Law, and except as otherwise limited by the District Law, the District has the power to do any and every lawful act necessary in order that sufficient water may be available for any present or future beneficial use or uses of the lands or inhabitants within the District, including, but not limited to, irrigation, domestic, fire protection, municipal, commercial, industrial, recreational, and all other beneficial uses and purposes; and

**WHEREAS**, Pursuant to Section 328 of the District Law, the District has the power, among other things, (e) To commence, maintain, intervene in, defend or compromise, in the name of the district on behalf of the landowners therein, or otherwise, and to assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights, within or without the district, used or useful for any purpose of the district or of common benefit to any land situated therein, or involving the wasteful use of water therein. (f) To commence, maintain, intervene in, defend, and compromise and to assume the cost and expenses of any and all actions and proceedings now or hereafter begun. (g) To prevent interference with or diminution of, or to declare rights in, the natural flow of any stream or surface or subterranean supply of waters used or useful for any purpose of the district or of common benefit to the lands within the district or to its inhabitants; and

**WHEREAS**, Pursuant to Section 325.5 of the District Law, to the extent feasible, District policy shall require development of the water sources within the District boundaries before utilizing water originating outside its boundaries. The proposed Monterey Peninsula Water Supply Project desalination facility is proposed as a Source of Supply and a Water Gathering Device to be developed outside the District boundaries, for delivery and use of that water within the District boundaries, warranting regulatory interest and review by the District under said Section 325.5; and



**WHEREAS**, Pursuant to Section 363 of the District Law, no person, owner, or operator shall establish, extend, expand, or create a water distribution system unless and until the approval of the board is first obtained in writing. For the purposes of such approval, the board may adopt such rules and regulations and establish such forms for such applications as are necessary and proper; and

**WHEREAS**, Pursuant to Section 341 of the District Law, the District shall encourage the coordination and integration of ground water supplies with surface water supplies; and

**WHEREAS**, Pursuant to Section 256 of the District Law, the District Board may by ordinance adopt reasonable rules and regulations to carry out its powers and duties not inconsistent with District Law and any other law, and violation of a District ordinance is a misdemeanor punishable by law; and

**WHEREAS**, Pursuant to District Ordinance No.1 (February 11, 1980) amended by District Ordinance No.96 (March 19, 2001) "Water Distribution System" is defined to mean all works within the District used for the collection, storage, transmission or distribution of water from the Source of Supply to the Connection of a system providing water service to any Connection including all Water-Gathering Facilities and Water-Measuring Devices. In systems where there is a water meter at the point of Connection, the term "Water Distribution System" shall not refer to the User's piping; in systems where there is no water meter at the point of Connection, the term "Water Distribution System" shall refer to the User's piping; and

**WHEREAS**, Pursuant to District Rule 20.A., adopted by District Ordinance No. 1 (February 11, 1980 and as amended from time-to-time by District Ordinance), an Owner or Operator of a Water Distribution System shall not modify, add to or change his/her Source of Supply, location of uses, change the System Capacity (if applicable) or Expansion Capacity Limit (if applicable), or expand the Service Area unless that Person first files an application to do so with the District and receives an amended creation/establishment permit or written Confirmation of Exemption. Action on such an application for a permit to create or amend a Water Distribution System shall also conform to the process set forth in District Rules 21 and 22.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Monterey Peninsula Water Management District does hereby resolve as follows:

1. That prior to initiating construction of facilities designed to deliver water from the Monterey Peninsula Water Supply Project to the California American Water Distribution System, and prior to receipt of waters from that Source of Supply, Cal-Am shall first obtain approval by the District Board of an application to amend its Water Distribution System permit pursuant to District Rules 21.C. and 22.E.
2. That prior to importing, distributing or using desal product water from the Monterey Peninsula Water Supply Project into any surface or groundwater source within the District, Cal-Am shall first seek and obtain approval from the District in accord with Article 2 of the District Law, Sections 341 to 366, inclusive.

3. The District's General Manager, or designee, is hereby authorized and directed to ensure that Cal-Am shall make its application pursuant to District Rules 22.E. and 21.C., shall comply with each Rule therein, shall seek authorization to integrate imported waters into District ground water supplies as contemplated by District Law, and these efforts shall be investigated, considered, determined, and acted upon on the same terms and conditions as provided for the approval, conditional approval, or denial of a permit, in accord with District Rules.

4. The District's General Manager, or designee, is hereby directed to notify other public regulators with permit authority over the Monterey Peninsula Water Supply Project, including, but not limited to, the California Public Utilities Commission, California Coastal Commission, California State Lands Commission, the County of Monterey, and the City of Marina that Cal-Am has not yet applied for, nor received approval of, an amendment to its Water Distribution System by the District, and has not yet received approval of efforts to include introduction of desal product water into District ground water supplies.

**PASSED AND ADOPTED** on this 17<sup>th</sup> day of October 2022 on a motion by Director Riley with a second by Director Edwards by the following vote, to wit:


AYES: Director Edwards, Riley, Malek, Paull, Anderson, Adams and Roberson

NOES: None

ABSENT: None

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a resolution adopted on 17<sup>th</sup> day of October 2022.

Dated: October 18, 2022

  
David J. Stoldt,  
Secretary to the Board of Directors

**CALIFORNIA COASTAL COMMISSION**

455 MARKET ST, SUITE 300  
SAN FRANCISCO, CA 94105  
FAX (415) 904-5400  
TDD (415) 597-5885

**RECEIVED**

NOV 04 2022

**MPWMD**

**PUBLIC HEARING NOTICE**  
**ENERGY, OCEAN RESOURCES, AND FEDERAL CONSISTENCY**  
**DIVISION**

The California Coastal Commission will consider the following Energy, Ocean Resources, and Federal Consistency Division item:

**THURSDAY, NOVEMBER 17, 2022, 9:00 A.M.**

**7. CONTINUED APPEALS.**

- a. **Appeal No. A-3-MRA-19-0034 (California American Water Co., Marina)** Appeal by California American Water Company, Brian LeNeve, Castroville Community Services District, and Commissioners Howell and Uranga from City of Marina decision denying permit for construction and operation of well field, pipelines, and associated infrastructure at CEMEX sand mining facility, Lapis Road, Marina, Monterey County, to be used to provide source water for desalination facility located outside the coastal zone in Monterey County.

**8. COASTAL PERMIT APPLICATIONS.**

- a. **Application No. 9-20-0603 (California American Water Co., Monterey Co.)** Application of California American Water Company for consolidated permit to construct and operate water delivery pipelines and associated infrastructure within the City of Seaside, County of Monterey, and the Commission's retained jurisdiction to support desalination facility located outside the coastal zone in Monterey County.

**Staff reports and staff recommendations.** Staff reports and staff recommendations are available at [www.coastal.ca.gov/mtgcurr.html](http://www.coastal.ca.gov/mtgcurr.html). Click on the Thursday tab and scroll down to agenda items 7a & 8a. If you wish to receive a hard copy of a report, please contact the Commission's Energy, Ocean Resources and Federal Consistency Division at [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov) or (415) 904-5240.

Please note: The above items may be moved to the Consent Calendar by the Executive Director if, prior to Commission consideration of the Consent Calendar, staff and the applicant agree on the staff recommendation. If an item is moved to the Consent Calendar, the Commission will either approve it with the recommended conditions in the staff report or remove the item from the Consent Calendar by a vote of three or more

Commissioners. If an item is removed, the public hearing described above will still be held at the point in the meeting originally indicated on the agenda.

**How to provide written comments on an item.** To submit written materials for review by the Commission, either email (via [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov)) or submit such materials to Commission staff no later than 5 pm on the Friday before the hearing. Staff will then distribute your materials to the Commission. Such materials received after this time will not be distributed to the Commission. Alternatively, you may also submit such materials directly to the Commissioners (a current list of Commissioner names and email addresses is available from Commission staff or from the Commission's website) as long as such materials are submitted to all Commissioners, all alternates for Commissioners, the three non-voting members of the Commission, and Commission staff. You are requested to summarize the reasons for your position in no more than two or three pages, if possible.

PLEASE NOTE THAT THIS WILL BE A HYBRID MEETING, WITH BOTH VIRTUAL AND IN-PERSON PARTICIPATION ALLOWED. Please see the Coastal Commission's Hybrid Hearing Procedures, posted on the Coastal Commission's webpage at [www.coastal.ca.gov](http://www.coastal.ca.gov) for details on the procedures of this hearing. If you would like to receive a paper copy of the Coastal Commission's Hybrid Hearing Procedures, please call (415) 904-5202.

The in-person hearing will be held at **Monterey County Board of Supervisors Chambers, 168 West Alisal St., 1<sup>st</sup> Floor, Salinas, CA 93901**. The Commission strongly encourages continued participation virtually through video and teleconferencing due to changing Covid-19 conditions.

**When will my agenda item be heard?** The items listed above will be considered by the Commission at a meeting at which other items are also scheduled. It is not possible to specify the exact time at which each matter will be heard, or to guarantee that an item will not be postponed. No one can predict how quickly the Commission will complete agenda items or how many will be postponed to a later date. The Commission begins each session at the time listed and considers each item in order, except in extraordinary circumstances.

**Questions?** Questions regarding this agenda item and/or this hearing should be directed to [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov) or (415) 904-5240.

**COMISIÓN COSTERA DE CALIFORNIA**

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[Sello: EL GRAN SELLO  
DEL ESTADO DE  
CALIFORNIA]



## **AVISO DE AUDIENCIA PÚBLICA**

### **DIVISIÓN DE ENERGÍA, RECURSOS OCEÁNICOS Y REGULARIDAD FEDERAL**

La Comisión Costera de California examinará el siguiente punto de la División de Energía, Recursos Oceánicos y Regularidad Federal:

**JUEVES 17 DE NOVIEMBRE DE 2022, 9:00 A.M.**

#### **7. RECURSOS DE APELACIÓN CONTINUADOS.**

- a. **Recurso No. A-3-MRA-19-0034 (California American Water Co., Marina)**  
Recurso de apelación por California American Water Company, Brian LeNeve, Castroville Community Services District, y los Comisionados Howell y Uranga contra la decisión de la Ciudad de Marina de denegar el permiso para la construcción y operación de un campo de pozos, tuberías e infraestructura asociada en las instalaciones de extracción de arena de CEMEX, Lapis Road, Marina, Condado de Monterey, que se utilizará para suministrar agua de origen a la instalación de desalinización ubicada fuera de la zona costera en el Condado de Monterey.

#### **8. SOLICITUDES DE PERMISOS COSTEROS.**

- a. **Recurso No. 9-20-0603 (California American Water Co., Condado de Monterey)** Solicitud de California American Water Company de un permiso consolidado para construir y operar tuberías de suministro de agua e infraestructura asociada dentro de la Ciudad de Seaside, Condado de Monterey, y la jurisdicción retenida de la Comisión para apoyar la instalación de desalinización ubicada fuera de la zona costera en el Condado de Monterey.

**Informes y recomendaciones del personal.** Los informes y recomendaciones del personal están disponibles en [www.coastal.ca.gov/mtgcurr.html](http://www.coastal.ca.gov/mtgcurr.html). Haga clic en la pestaña del jueves y desplácese hasta los puntos 7a y 8a del orden del día. Si desea recibir una copia impresa de un informe, póngase en contacto con la División de Energía, Recursos Oceánicos y Regularidad Federal de la Comisión en [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov) o llamando al (415) 904-5240.

Por favor, tome en cuenta que: El Director Ejecutivo puede trasladar los puntos mencionados al Calendario de Consentimiento si, antes de que la Comisión examine el Calendario de Consentimiento, el personal y el solicitante están de acuerdo con la recomendación del personal. Si un punto se traslada al Calendario de Consentimiento, la Comisión lo aprobará con las condiciones recomendadas en el informe del personal o retirará el punto del Calendario de Consentimiento por un voto de tres o más Comisionados.

Si se retira un punto, la audiencia pública descrita anteriormente seguirá celebrándose en el punto de la reunión indicado originalmente en el orden del día.

**Cómo presentar comentarios por escrito sobre un tema.** Para presentar materiales escritos para su revisión por parte de la Comisión, envíe un correo electrónico (vía [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov)) o presente dicho material al personal de la Comisión antes de las 5 pm del viernes anterior a la audiencia. El personal distribuirá entonces sus materiales a la Comisión. Los materiales recibidos después de esa hora no se distribuirán a la Comisión. También puede presentar dichos materiales directamente a los Comisarios (el personal de la Comisión o el sitio web de la Comisión tienen a su disposición una lista actualizada de los nombres y direcciones de correo electrónico de los Comisarios), siempre que dichos materiales se presenten a todos los Comisarios, a todos los suplentes de los Comisarios, a los tres miembros de la Comisión sin derecho a voto y al personal de la Comisión. Se ruega resumir las razones de su posición en no más de dos o tres páginas, si es posible.

**TENGA EN CUENTA QUE ESTA SERÁ UNA REUNIÓN HÍBRIDA, CON PARTICIPACIÓN VIRTUAL Y PARTICIPACIÓN EN PERSONA.** Consulte los Procedimientos de Audiencia Híbrida de la Comisión de Costas, publicados en la página web en [www.coastal.ca.gov](http://www.coastal.ca.gov) para conocer los detalles de los procedimientos de esta audiencia. Si desea recibir una copia en papel de los Procedimientos de Audiencia Híbrida de la Comisión de Costas, llame al (415) 904-5202.

La audiencia en persona se llevará a cabo en la **Sala de la Junta de Supervisores del Condado de Monterey, 168 West Alisal St., 1<sup>er</sup> Piso, Salinas, CA 93901**. La Comisión anima encarecidamente a seguir participando virtualmente a través de video y teleconferencias debido a las cambiantes condiciones de Covid-19.

**¿Cuándo se escuchará mi punto del orden del día?** Los puntos enumerados anteriormente serán examinados por la Comisión en una reunión en la que también están programados otros puntos. No es posible precisar la hora exacta en que se tratará cada asunto, ni garantizar que un punto no se posponga. Nadie puede predecir la rapidez con la que la Comisión completará los puntos del orden del día ni cuántos se pospondrán a una fecha posterior. La Comisión comienza cada sesión a la hora indicada y examina cada punto por orden, salvo en circunstancias extraordinarias.

**¿Preguntas?** Las preguntas relativas a este punto del orden del día y/o a esta audiencia deben dirigirse escribiendo a [EORFC@coastal.ca.gov](mailto:EORFC@coastal.ca.gov) o llamando al (415) 904-5240.