

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, February. The meetings begin at 6:00 PM.



AGENDA
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District

Monday, November 18, 2019

4:00 pm – Closed Session

6:00 pm – Regular Meeting

Conference Room, Monterey Peninsula Water Management District
5 Harris Court, Building G, Monterey, CA

Staff notes will be available on the District web site at
<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>
by 5 PM on Thursday, November 14, 2019

View a live webcast of the meeting at <https://www.ampmedia.org/peninsula-tv/>
select Today's Schedule or Live and On Demand

View web and television broadcast schedule on page 3.

Closed Session – 4 pm

As permitted by Government Code Section 54956 et seq., the Board may adjourn to closed or executive session to consider specific matters dealing with pending or threatened litigation, certain personnel matters, or certain property acquisition matters.

1. Public Comment - Members of the public may address the Board on the item or items listed on the Closed Session agenda.
2. Adjourn to Closed Session
3. Public Employee Performance Evaluation (Gov. Code 54957) – General Manager
4. Adjourn to 6 pm Session

Regular Meeting – 6 pm

CALL TO ORDER/ROLL CALL
PLEDGE OF ALLEGIANCE

Board of Directors

Molly Evans, Chair – Division 3
Alvin Edwards, Vice Chair – Division 1
George Riley – Division 2
Jeanne Byrne – Division 4
Gary D. Hoffmann, P.E. – Division 5
Mary Adams, Monterey County Board of
Supervisors Representative
David Potter – Mayoral Representative

General Manager

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey on Friday, November 15, 2019. Staff reports regarding these agenda items will be available for public review on Friday, November 15, 2019 at the District office and at the Carmel, Carmel Valley, Monterey, Pacific Grove and Seaside libraries. After staff reports have been distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be available at the District office during normal business hours, and posted on the District website at www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/. Documents distributed at the meeting will be made available in the same manner. The next meeting of the Board of Directors is scheduled for December 16, 2019, at 6 pm.

ADDITIONS AND CORRECTIONS TO AGENDA - The Clerk of the Board 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 October 21, 2019 Regular Board Meeting
2. Consider Adoption of Electronic Communications Management Policy
3. Consider Authorization of Additional Contingency Funds for Construction and Related Services for the Sleepy Hollow Steelhead Rearing Facility Raw Water Intake and Water Supply System Upgrade Project
4. Consider Approval of Budgeted Funds to Replace HVAC Unit at the MPWMD Harris Court Administrative Building
5. Receive and File First Quarter Financial Activity Report for Fiscal Year 2019-2020
6. Consider Approval of First Quarter Fiscal Year 2019-2020 Investment Report
7. Consider Adoption of Treasurer's Report for September 2019

GENERAL MANAGER'S REPORT

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

ATTORNEY'S REPORT

10. Report on 4:00 pm Closed Session of the Board

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

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

PUBLIC HEARINGS – No public hearing items were presented for Board consideration.

DISCUSSION ITEMS - Public comment will be received. Please limit your comment to three (3) minutes per item.

12. Discuss Additional Services Related to Rule 19.8

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

13. Consider Policy re Directors' Attendance at ACWA DC Conference
Action: The Board will discuss and consider adoption of a policy re Directors' attendance at the annual ACWA conference in Washington, DC.
14. Consider Approval of Amendment to Agreement for Employment of General Manager
Action: The Board will consider approval of an amendment to the agreement for employment.

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.

15. Report on Activity/Progress on Contracts Over \$25,000
16. Status Report on Measure J/Rule 19.8 Spending
17. Letters Received Supplemental Letter Packet
18. Committee Reports
19. Monthly Allocation Report
20. Water Conservation Program Report
21. Carmel River Fishery Report for October 2019
22. Monthly Water Supply and California American Water Production Report

ADJOURNMENT

Board Meeting Broadcast Schedule View Live Webcast at https://www.ampmedia.org/peninsula-tv/ select Today's Schedule or Live and On Demand	
Television Broadcast	
Comcast Ch. 25, Mondays view live broadcast on meeting dates, and replays on Mondays, 4 pm - midnight	City of Monterey
Comcast Ch. 28, Mondays, replays 7 pm and Saturdays 9 am	Throughout the Monterey County Government Television viewing area.
For Xfinity subscribers, go to https://www.xfinity.com/support/local-channel-lineup/ or https://www.xfinity.com/stream/listings - enter your address for the listings and channels specific to your city.	Carmel, Carmel Valley, Del Rey Oaks, Pacific Grove, Pebble Beach, Sand City, Seaside, Monterey
Internet Broadcast	
Replays – Mondays, 4 pm to midnight at https://www.ampmedia.org/peninsula-tv/	
Replays – Mondays, 7 pm and Saturdays, 9 am www.mgtvonline.com	
On demand – three days following meeting date https://videoplayer.telvue.com/player/m_3HX6961GRMsvkqSCdwmGeJ8rwpRZrR/playlists/6023/media/514239?sequenceNumber=1&autostart=true&showtabssearch=true	
YouTube – available five days following meeting date - https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg	

Board Meeting Schedule			
Monday, December 16, 2019	Regular Board Meeting	6:00 pm	District conference room
Thursday, January 23, 2020	Regular Board Meeting	6:00 pm	District conference room
Wednesday, February 19, 2020	Regular Board Meeting	6:00 pm	District conference room

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. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service by noon on Friday,

November 15, 2019. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey CA, 39342. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600. You may also email to arlene@mpwmd.net.

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ITEM: CONSENT CALENDAR

**1. CONSIDER ADOPTION OF MINUTES OF THE OCTOBER 21, 2019
REGULAR BOARD MEETING**

Meeting Date: November 18, 2019

Budgeted: N/A

From: David J. Stoldt,
 General Manager

Program/ N/A
Line Item No.:

Prepared By: Arlene Tavani

Cost Estimate: N/A

General Counsel Review: N/A

Committee Recommendation: N/A

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

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the October 21, 2019 Regular meeting of the Board.

RECOMMENDATION: District staff recommends approval of the minutes with adoption of the Consent Calendar.

EXHIBIT

1-A Draft Minutes of the October 21, 2019 Regular Meeting of the Board of Directors



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
October 21, 2019

Board Chair Evans called the meeting to order at 6:05 pm in the MPWMD conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

Molly Evans – Chair, Division 3
 Alvin Edwards, Vice Chair, Division 1
 George Riley, Division 2
 Gary D. Hoffmann, P.E. – Division 5
 Mary Adams – Monterey County Board of Supervisors Rep.
 David Potter – Mayoral Representative

Directors Absent: Jeanne Byrne – Division 4

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

On a motion by Potter and second by Riley, Action Item 13 was continued to the November 21, 2019 Board meeting. The motion was approved on a vote of 6 – 0 by Potter, Riley, Adams, Edwards, Evans and Hoffmann. Byrne was absent.

ADDITIONS AND CORRECTIONS TO AGENDA

The following comments were directed to the Board during Oral Communications. **(a) Dan Turner**, resident of Monterey, stated that elimination of the tiered commercial rate structure benefited hotels in the California American Water (Cal-Am) system. He maintained that if hotels were subject to residential tiered rates, they would pay four or five times more than what they currently pay. He asserted that he was unable to locate information on the previous tiered commercial rates, and that Cal-Am had not returned his calls requesting that information. **(2) Tom Rowley**, Realtor, read a letter he submitted to the California Coastal Commission (CCC) stating that without a desalination project, the continued lack of water for small business development would cripple the economy on the Monterey Peninsula. He requested that the CCC approve the desalination project. **(3) Michael Baer** requested that the Board of Directors add their signatures to a letter signed by 28 local government officials requesting that the CCC deny a permit for the desalination project.

ORAL COMMUNICATIONS

Potter offered a motion that was seconded by Adams to adopt the Consent Calendar. The motion was approved on a vote of 6 – 0 by Potter, Adams, Edwards, Evans, Hoffmann and Riley. Byrne was absent.

Adopted.

Approved.

Approved agreement with the USGS in the amount of \$15,800.

Received.

Approved.

Adopted.

Adopted.

Adopted.

A summary of General Manager Stoldt's report is on file at the District office and can be viewed on the agency's website. He reported that for the period of October 1, 2018 through September 30, 2019 actual water production was 9,435 acre-feet, which was 397 acre-feet below the target of 9,832 acre-feet. Therefore, the community was in compliance with the CDO and Adjudication decision. No rainfall was recorded in September 2019. However, unimpaired streamflow during July, August and September exceeded the long-term averages.

District Counsel Laredo reported that at the October 3, 2019 Closed Session, the Board met with Counsel and Special Counsel to discuss one item: Conference with Real Property Negotiators (Government Code Sections 54954.5(b), 54956.8/ District Representative: David Stoldt / Negotiation Affecting Properties Held by California American Water

CONSENT CALENDAR

1. **Consider Adoption of Minutes of the September 16, 2019 Regular Board Meeting**
2. **Consider Approval of Resolution No. 2019-16 in Support of Filing a Proposition 1 Round 1 Implementation Grant Application**
3. **Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2020**
4. **Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2018-2019**
5. **Consider Approval of Fourth Quarter Fiscal Year 2018-2019 Investment Report**
6. **Consider Adoption of Treasurer's Report for June 2019**
7. **Consider Adoption of Treasurer's Report for July 2019**
8. **Consider Adoption of Treasurer's Report for August 2019**

GENERAL MANAGER'S REPORT

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

ATTORNEY'S REPORT

10. **Report on October 3, 2019 Closed Session and October 21, 2019, 5:00 pm Closed Session of the Board**

Company. No reportable action was taken. At the October 21, 2019, 5 pm closed session, the Board considered agenda items 3 and 4. General direction was provided on both items. No reportable action was taken except to direct that item 13 on the 7 pm meeting agenda be continued to the November 18, 2019 Board meeting.

3. **Public Employee Performance Evaluation (Gov. Code 54957) – General Manager**
4. **Conference with Legal Counsel – Pending and Threatened Litigation (Gov. Code 54956.9 (b)) – One Case**

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

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

Director Riley reported that he attended the October 2, 2019 meeting of the Seaside Groundwater Basin Watermaster. At that meeting a resolution was adopted expressing support for Cal-Am's desalination project as the long-term water supply, instead of Pure Water Monterey Expansion. Director Edwards reported that he attended the October 15, 2019 meeting of the Monterey County Special Districts Association. The featured speaker advised attendees that Homeland Security will conduct a cybersecurity audit of the District's systems at no cost, with two-years lead time. Edwards thanked Monterey One Water for organizing the ribbon cutting ceremony for the Pure Water Monterey Project. He thanked former directors Ralph Rubio, Brenda Lewis, Bob Brower, and Andy Clarke for their support in pursuing development of the project.

No public hearing items were presented for Board consideration.

PUBLIC HEARINGS

ACTION ITEMS

12. **Consider Expenditure for the Santa Margarita Water Treatment Facility Project Construction and Support Services**

Edwards offered a motion that was seconded by Potter to approve the staff recommendation. Edwards and Potter accepted an amendment from Adams to request that monthly progress updates be provided to the Board. An amendment by Edwards was also accepted, that the General Manager provide timely notification to the Board of change orders or if modifications to the project budget are eminent. This would allow the Board an opportunity to call a special meeting to approve a change-order if necessary. The motion was approved on a vote of 5 – 1 by Edwards, Potter, Adams, Evans and Riley. Hoffmann was opposed and Byrne was absent.

Tom Seidel, representing Specialty Construction, contractor for construction of the Pure Water Monterey Project and low-bidder on the Water Treatment Facility project, addressed the Board during the public comment period on

this item. He stated that an engineer's estimate is rarely within 20% of the bid results. The construction team was local, and although the Monterey Peninsula has proven to be a difficult environment to work in, Specialty Construction was committed to successful completion of the project on time.

Item deferred to the November 18, 2019 Regular Board meeting. No action taken.

Discussion item 20 only.

In response to an inquiry from the Board, Thomas Christensen, Environmental Resources Manager, provided an update on the Spawning Gravel Enhancement Project at Los Padres. He reported that placement of 1,000 tons of river-run gravel was complete.

The meeting was adjourned at approximately 7:20 pm.

13. Consider Approval of Amendment to Agreement for Employment of General Manager

INFORMATIONAL ITEMS/STAFF REPORTS

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

15. Status on Measure J/Rule 19.8 Spending

16. Letters Received

17. Committee Reports

18. Monthly Allocation Report

19. Water Conservation Program Report

20. Carmel River Fishery Report for September 2019

21. Quarterly Carmel River Riparian Corridor Management Program Report

22. Quarterly Water Use Credit Transfer Status Report

23. Monthly Water Supply and California American Water Production Report

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary

ITEM: CONSENT CALENDAR**2. CONSIDER ADOPTION OF ELECTRONIC COMMUNICATIONS MANAGEMENT POLICY**

Meeting Date: November 18, 2019 **Budgeted:** N/A

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

Prepared By: Arlene Tavani **Cost Estimate:** N/A

General Counsel Review: Yes

Committee Recommendation: The Administrative Committee reviewed this item on November 13, 2019 and recommended approval by a 3-0 vote.

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

SUMMARY: Attached as **Exhibit 2-A**, is Resolution No. 2019-17 and a proposed MPWMD Electronic Communications Management Policy (Policy) that establishes rules for review, retention, and destruction of e-communications such as email, text messages, voice mail, instant messaging and other electronic communications. The Policy applies to staff and Directors. This Policy describes when a communication must be retained, the procedures for retention and destruction, and how communications are handled when a director or staff member departs from the District. It also addresses communications received, stored or sent on personal devices that are related to the conduct of the public's business.

This Policy is used in conjunction with the MPWMD Records Retention Schedule (RRS) that was adopted by the Board in March 2019 and assigns retention periods to specific document categories. The Policy also refers to the District's Email Retention Procedures, that are instructions to staff on how to utilize Outlook for email retention. The Policy was developed in consultation with District staff and management, District Counsel and Gladwell Governmental Services, Inc.

RECOMMENDATION: The Board of Directors approve Resolution No. 2019-17 - Adopting the MPWMD Electronic Communications Management Policy.

BACKGROUND: Communications such as email and text messages that pertain to conduct of the public's business are considered public records under the California Public Records Act, set forth at Government Code 6250 et. seq., unless they are considered transitory with no required retention. Communications received, stored or sent from personal devices such as computers and cell phones, are also considered public records if they pertain to the conduct of the public's business; as determined in the recent California Supreme Court decision, *City of San Jose v. Superior Court* (2017) 2 Cal.5th 608.

Procedures have been established for District staff to retain email and other electronic communications utilizing Outlook and electronic file folders. These systems cannot be transferred

to Director's personal devices; therefore, the Policy directs Board members to analyze District related communications and: (a) transmit those eligible for retention to the Executive Assistant for retention in the District's files; or (b) retain those eligible for retention on the Director's personal device, system or account. The Policy also directs Board members on how to review their personal devices and submit communications to be disclosed in response to a Public Records Act Request, legal discovery, or upon departing from the District.

This Policy specifies that Directors and staff will receive training on the Policy within 30 days of joining the District. Upon adoption of Resolution No. 2019-17, staff will schedule training sessions. District staff have received training on the draft Policy and the procedures for retention of email in Outlook.

EXHIBIT

2-A Resolution 2019-17 – Adopting the MPWMD Electronic Communications Management Policy

**EXHIBIT 2-A****DRAFT****MPWMD RESOLUTION NO. 2019-17**

**ADOPTING THE MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT ELECTRONIC
COMMUNICATIONS POLICY**

WHEREAS, Section 6250 et. seq., of the California Government Code has been interpreted to include in the definition of a public record forms of electronic communications such as email, text messages, voice mail and other electronic writings (electronic communications); and

WHEREAS, the California Supreme Court in the *City of San Jose v. Superior Court* (2017) 2 Cal.4th 608 ruled that electronic writings related to the public's business are public records even where they have been sent, received or stored in a personal account or device; and

WHEREAS, in March 2019, the Monterey Peninsula Water Management District (District) adopted a Records Retention Schedule (RRS) to establish a procedure for the retention and destruction of certain District documents and communications including email, text messages, voice mail and other electronic writings; and

WHEREAS, the District desires to establish an Electronic Communications Management Policy (Policy) to establish rules for review, retention, and destruction of electronic communications, which will be used in conjunction with the RRS; and

WHEREAS, this action does not constitute a "Project" as that term is defined under the California Environmental Quality Act (CEQA) Guideline Section 15378, as it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MONTEREY
PENINSULA WATER MANAGEMENT DISTRICT DOES RESOLVE AS FOLLOWS:**

Section 1. The District Board of Directors hereby approves the MPWMD Electronic Communications Policy **Attachment 1**, attached hereto and incorporated herein by this reference.

Section 2. In the future, proposed modifications to the MPWMD Electronic Communications Policy will be submitted to the Board of Directors for approval.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

On a motion of Director _____ and second by Director _____ the foregoing resolution is duly adopted this 18th day of November 2019 by the following vote.

AYES: Directors

NOES:

ABSENT:

I David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, do hereby certify that the foregoing Resolution No. 2019-17 was duly adopted on the 18th day of November, 2019.

Witness my hand and seal of the Board of Directors this _____ day of _____, 2019.

David J. Stoldt, Secretary to the Board of Directors

MPWMD ELECTRONIC COMMUNICATIONS MANAGEMENT POLICY

November 14, 2019

SCOPE -- This policy applies to all e-mail, text messages, voice mail, instant messaging, and other forms of electronic communications relating to conduct of the public's business that are created, sent, received or stored on personal devices, systems or accounts, or District-owned devices, systems or accounts. This policy is implemented in consideration of the provisions of Government Code §6250 et seq. pertaining to the availability and accessibility of public records.

COMPLIANCE IS MANDATORY -- All District employees, officials and Directors must comply with this policy. The term "employees" includes contract employees/volunteers that work at the District office.

POLICY -- All electronic communications must be analyzed to determine:

- (a) Whether the communication is a record relating to the conduct of the public's business that has administrative, legal, financial or historical value and must be retained for a specific period of time before it is destroyed, or retained permanently, according to the District's Records Retention Schedule; or
- (b) Whether the communication is identified in the District's Records Retention Schedule as a disposable or draft item and no retention is required, as the item is not related to the public's business, is of a transitory or non-substantive nature, or is interagency or intra-agency memoranda not retained in the ordinary course of business.

RETENTION PERIODS -- The District's Records Retention Schedule identifies types of records (record categories) and the minimum length of time a record must be retained before it is moved to permanent storage or destroyed. Electronic communications must be retained according to the Records Retention Schedule.

RETENTION CATEGORIES

- **Permanent:** Records required by law to be retained permanently and records designated by the General Manager as permanent.
- **Perpetual:** Records retained for an indefinite period of time until a trigger event takes place, the record is then stored for a mandated retention period and disposed of according to the Records Retention Schedule. For example, email related to audits, or contracts must be retained until the audit is complete, or the project terminates. Following that triggering event, a mandated retention period begins and the email must be moved onto the District's central electronic file folders u/drive for storage until the retention period ends.
- **Time Specified:** Many record categories on the Records Retention Schedule are associated with a specific retention period, for example 2 years or 5 years. The record may be destroyed when the retention period has expired.
- **No Retention Required:** No administrative, legal, fiscal, or archival requirements for retention. These are transitory messages that convey information of limited importance and can be deleted immediately.

PERSON RESPONSIBLE TO DETERMINE RETENTION AND FILE

- Communication created internally - originator of the communication is responsible to determine retention and file.

- Communication received from an external source - primary recipient is responsible to determine retention and file.
- If it is not clear who the primary recipient is, the persons who received the communication should confer and decide who will retain or destroy the message. The other recipients should not retain the communication.
- Chain email – the entire email chain must be retained; however, duplications within the email chain need not be retained.

DIRECTORS – PROCEDURE FOR RETENTION OF ELECTRONIC COMMUNICATIONS

The District does not issue Directors communication devices nor does it provide systems or accounts for storage of electronic communications. Therefore, Directors must analyze District-related communications sent or received on their personal devices, systems or accounts, and then: (1) transmit those eligible for retention to the Executive Assistant for retention in the District's files; or (2) retain those eligible for retention on the Director's personal device, system or account.

STAFF - PROCEDURE FOR RETENTION OF ELECTRONIC COMMUNICATIONS/ ATTACHMENTS

- Email shall be retained according to the District's Email Retention Procedures document
- Email or other electronic communications, including attachments, may be moved to the employee's District electronic file folders and retained for the required retention period
- Email or other electronic communications, including attachments, may also be moved to the District central electronic file folders and retained for the required retention period. Forward to records staff.
- Attachments only may also be forwarded to records staff for retention in the District's central electronic file folders.

DESTRUCTION OF ELECTRONIC COMMUNICATIONS – An electronic communication is considered destroyed as soon as it is moved into the user's deleted items folder or deleted from a user's mailbox or account. A communication considered destroyed is not a recoverable public record.

PRIVACY – Electronic communications sent or received on District-owned devices, systems or accounts are not private. They may be accessed and monitored by others, may be released to the public, and may be subject to discovery proceedings in legal actions. All District-related electronic communications sent or received on a personal device, system or account, or downloaded to a personal device, system or account are subject to review and disclosure.

RECORDS SEARCH ON PERSONAL DEVICES OR ACCOUNTS/DIRECTOR OR EMPLOYEE

If a personal device, system or account must be searched to accommodate a Public Records Act request or legal discovery, the owner or designee shall review the personal device, system or account for responsive records. If no responsive records are found, the owner or designee shall submit a signed affidavit stating that a search was done and no responsive records exist. If responsive records do exist, they shall be submitted to the Executive Assistant, along with a signed affidavit stating that a search was conducted and responsive records are provided. Responsive records should be submitted in the original format, as a PDF, or as printouts with all metadata including distribution information: the names of all recipients, and the dates and times sent or received.

SEPARATION FROM DISTRICT/DIRECTOR OR EMPLOYEE -- Before departing from service or employment with the District, the Director or employee shall search personal electronic devices,

systems and accounts for records eligible for retention. If no responsive records are found, a signed affidavit will be submitted as described under Records Search on Personal Devices or Accounts. If eligible Records are found, they will be submitted to the Executive Assistant along with an affidavit as described under Records Search on Personal Devices or Accounts. The IT Manager will sever the former employee's access to District email.

After an employee separates from the District, messages that have accumulated in the former employee's Mailbox will be retained according to email folder default or tagged retention periods. The manager or supervisor will determine where incoming mail will be routed, and may also grant another staff person access to the Mailbox.

LEGAL HOLDS – When automatic deletion of District email must be temporarily halted to ensure records are available to search in response to a Public Records Act request or legal discovery, the IT Manager will place a hold on Mailboxes of employees that must conduct a search of their files. When the search is complete, if no responsive records are found, the owner or designee will submit a signed affidavit stating that a search was done and no responsive records exist. If responsive records do exist, they will be submitted to the Executive Assistant, along with a signed affidavit stating that a search was conducted and responsive records are provided. The hold will be removed from the affected Mailbox upon receipt of the affidavit.

LEAVE HOLDS – If an employee will be away from the office, and upon request the IT Manager will place a hold on automatic destruction of messages in the employee's Mailbox. The employee must submit to the IT Manager a request form signed by the employee's manager or supervisor that specifies the start and end date of the hold.

POLICY COMPLIANCE – Directors and employees will receive training on the Electronic Communications Management Policy within 30 days of joining the Agency. Management has the right to review electronic communications on District-owned devices to ensure compliance with this policy. If a user does not adhere to the policy, additional training will be provided.

AMENDMENTS TO POLICY – This policy may only be amended by action of the Board of Directors.

ITEM: CONSENT CALENDAR**3. CONSIDER AUTHORIZATION OF ADDITIONAL CONTINGENCY FUNDS FOR CONSTRUCTION AND RELATED SERVICES FOR THE SLEEPY HOLLOW STEELHEAD REARING FACILITY RAW WATER INTAKE AND WATER SUPPLY SYSTEM UPGRADE PROJECT**

Meeting Date:	November 18, 2019	Budgeted:	No; funds to be identified from changes to FY2019-2020 Budget
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From:	David J. Stoldt, General Manager	Program/	Protect Environmental Quality
		Line Item No.:	2-3-1 & other Mitigation Program activities

Prepared By:	Larry Hampson	Cost Estimate:	\$134,500
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General Counsel Review: N/A**Committee Recommendation:** The Administrative Committee reviewed this item on November 13, 2019 and recommended approval by a 3-0 vote.**CEQA Compliance:** The Board certified the Final Initial Study/Mitigated Negative Declaration, approved this project, and adopted the Mitigation and Monitoring and Reporting Plan on November 14, 2016.

SUMMARY: As of November 1, 2019, staff estimates that approximately \$51,000 remains of the previous Board authorizations to complete the Sleepy Hollow Facility Upgrade (the Project). An additional amount of up to \$134,500 will be required to complete approximately \$185,500 of additional change orders identified during facility start-up (see the following tables). Staff has identified funds for the additional work, which would come from Sleepy Hollow operations funds and Carmel River program activities in the Mitigation Program that will not be expended in FY 2019-20 (approximately \$143,000). Adjustments to individual budgeted line items would be made at the mid-year budget adjustment.

The Board has previously authorized up to \$257,165 in contingency funds for the project. Staff recommends that an additional \$134,600 in contingency funds be authorized for the project.

RECOMMENDATION: The Board of Directors should approve the following action:

Authorize the General Manager to approve additional change orders to construction and service contracts or for new service contracts for the Project in an amount up to \$134,500 in total. With this action, authorized contingency funds for the Project would rise from \$257,165 to \$391,165.

DISCUSSION: The Sleepy Hollow Steelhead Rearing Facility upgrade (the Project) includes a new intake structure in the Carmel River, new pumps, a dual filtration system, modifications to the cooling tower, disease control (ultraviolet radiation of circulating water), a recirculating

aquaculture system (RAS), a degassing system, an oxygenator, a power upgrade, advanced alarm systems, and an integrated control system. Current costs and proposed additional funding is as shown in the table below. In 2018, the District obtained a grant of \$1.8 million for the Project from the State Coastal Conservancy, which is administering funds from a Settlement Agreement between Cal-Am and the National Marine Fisheries Service that funds Carmel River steelhead improvement projects.

Sleepy Hollow Facility Upgrade Budget and Estimated Costs as of November 2019

Item	Authorized Funding	Estimated Variance (+)	Estimated Variance (-)	Total
Construction	\$1,802,835	\$32,025	(\$34,140)	\$1,800,720
Survey Control	\$10,000		(\$10,000)	\$0
Inspection/testing	\$5,000			\$5,000
Record Drawings & Engineering Assistance	\$25,000			\$25,000
Contingency	\$257,165		(\$38,800)	\$218,365
Sub-Total Expenditures	\$2,100,000	\$32,025	(\$82,940)	\$2,049,085
Expected Additional Change Orders		185,500		\$185,500
Sub-Total				\$2,234,585
Additional Funds Required (Total Project Cost – Current Authorization)				\$134,585

Most of the construction in the original contract for the facility upgrade and subsequent change orders authorized with previously approved Board funding were complete as of the first week of November 2019, although several “punchlist” items remain. Contingency funds have been used for services and materials for road repairs, additional facility upgrades, additional equipment, installation of a sign, construction testing, and a power upgrade by PG&E. The largest additional expenditure to date has been road repairs, due to damage from heavy construction equipment as well as almost daily contractor access and staff access.

During facility startup and inspections, several additional change orders were identified as shown in the table below. If the Board approves additional funding, the total of authorized contingency funds would be \$391,165, which represents about 17.5% of the estimated total project cost.

Proposed Additional Change Orders

Change Order No.	Description	Reason/need	Estimated Cost
13	Misc clean-up (net pen, metal)	Haul off unused or obsolete materials	\$ 2,500
14	Add tank raise in RAS building	Add operational flexibility/prevent building overflows	7,000
15	Repair cooling tower fan	Repair damage to fan blade from failed structural member; upgrade nozzles to allow higher design flow	13,500
16	Add roof over degasser/LHO tanks	Prevent oak leaves, branches and blowing debris from entering tanks	75,000
17	Install additional galvanized walkways in RAS building	Allow personnel to safely move over large diameter pipes in building	20,000
18	Install concrete landings at coiling and person doors	Reduce potential for soil and rocks from passing into RAS building	2,000
19	Install gutter on N. side of RAS building, connect to UG drain	Prevent erosion of building pad material	2,500
20	Install metal bollards (12) on south side of RAS building	Prevent vehicles from striking RAS building	3,000
21	Cut valve stem at 16-in valve near river and cap	Reduce potential for flood debris catching on valve stem adjacent to the river	500
22	Replace lava rock in exit of discharge channel	Provide aeration and biological treatment of rearing channel discharge to river	2,000
23	Install mag meter on 4-inch auxiliary tank supply line	Allow metering of water being used in quarantine tanks and rearing	4,000
24	Install metal cage and ladder, north side of RAS building	Provide safe access to RAS building roof	5,000
25	Install stainless steel metal plate in rearing channel drain	Prevent discharge from scouring concrete channel	500
26	Repair road damage from construction	Grading and repairs of one-mile access road to Sleepy Hollow site	20,000
27	Install cover over RAS diversion screen	Prevent injury from slips or falls during maintenance activities	250
28	Other Change Orders	Contingency funds for additional change orders resulting from facility commissioning	27,750
	Subtotal New Change Orders		\$ 185,500

IMPACTS ON STAFF AND RESOURCES: Funds for additional contingency expenses, should they occur, would be funded from Sleepy Hollow Operations (Budget Program line item 2-3-1) and other Carmel River Riparian Mitigation Program items (2-1-1 through 2-1-5) that were budgeted, but will not be expended in FY 2019-20. If this item is approved, funds for the additional contingency amount would be identified in the mid-year FY2019-20 budget adjustment.

Several District staff are involved in the upgrade assisting with project management, inspections, permit compliance, fish rescue, revegetation, monitoring and facility commissioning. The work is being performed under the direction of the District Engineer.

EXHIBITS

None

ITEM: CONSENT CALENDAR**4. CONSIDER APPROVAL OF BUDGETED FUNDS TO REPLACE HVAC UNIT AT THE MPWMD HARRIS COURT ADMINISTRATION BUILDING**

Meeting Date:	November 18, 2019	Budgeted:	No
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	Fixed Assets 918000 Building Improvements
Prepared By:	Suresh Prasad	Cost Estimate:	\$15,000

General Counsel Review: Yes**Committee Recommendation:** The Administrative Committee reviewed this item on November 13, 2019 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: This request is for replacement of the Heating, Ventilation and Air Conditioning (HVAC) unit at the main MPWMD Harris Court Administration Building. The new unit will replace a non-functional HVAC unit that has been in service for 20 years.

Airtec Service, our HVAC service provider, has provided a quote of \$13,453 including crane rental, permit fees, coil coated protection and labor for installation of the new 5-ton HVAC unit. The new unit includes a modulating economizer which is an energy saver component and adjusts based on the temperature outside by not turning the cooling compressor which saves electricity. Staff recommends using Airtec Service since they are our HVAC service provider and is familiar with our facilities and equipment.

This request includes \$1,500 in additional funds for unforeseen expenditure related to permitting work.

Funding for replacing this HVAC unit will come from previously accrued capital replacement reserve fund. District has accrued \$13,500 in replacement cost. Additional \$1,500 will come from current year budget. Mid-year budget adjustment will reflect this expenditure and also transfer of reserve funds.

RECOMMENDATION: District staff recommends authorizing the Administrative Services Manager/Chief Financial Officer to replace the HVAC unit at the MPWMD Harris Court Administration Building for an amount not to exceed \$15,000.

BACKGROUND: District acquired the MPWMD Harris Court Administration Building in 1999. The existing HVAC units have been in service for 20 years. One of the HVAC units has failed and is need of replacement. A formal quote to replace the failed unit was obtained from Airtec Service, District's HVAC service provider.

EXHIBIT**4-A** Airtec Service Quote

U:\staff\Boardpacket\2019\20191118\ConsentCalendar\04\Item-4.docx

Proposal and Agreement

Customer Name: <u>MPWMD</u>	Phone: <u>831.658.5610</u> Date: <u>11/6/19</u>
Address: <u>5 Harris Court Bldg. G</u>	Job Address: <u>Same</u>
City, State, Zip: <u>Monterey, CA 93940</u>	Email Address: <u>sara@mpwmd.net</u>

We will furnish, install and start-up the equipment listed below at the price, terms and conditions outlined on this proposal and attached terms sheet.

Equipment Specifications

Make: Ruud Model: RKP-A060K10

SEER: 14 EER: CSE: BTU Heating IN/OUT BTU Cooling

Installation Shall Include: Replace existing RTU1 5-ton gas electric package unit with new Ruud 5-ton gas electric package unit. Complete with the checked boxes below.

✓ in boxes = Yes

- | | |
|--|---|
| <input checked="" type="checkbox"/> RECYCLE EXISTING UNIT PER EPA GUIDELINES | <input checked="" type="checkbox"/> CRANE & RIGGING |
| <input type="checkbox"/> FABRICATE & INSTALL SUPPLY/RETURN DUCTWORK TRANSITIONS | <input type="checkbox"/> NEW PRESSURE TREATED ROOF SLEEPER(S) |
| <input type="checkbox"/> FABRICATE & INSTALL SUPPLY/RETURN FLEX CONNECTORS | <input type="checkbox"/> CONTROL WIRING DISCONNECT/RECONNECT |
| <input type="checkbox"/> WELDED 16 GA. CURB ADAPTOR | <input type="checkbox"/> NEW PROGRAMMABLE THERMOSTAT |
| <input checked="" type="checkbox"/> GAS PIPING DISCONNECT/RECONNECT | <input checked="" type="checkbox"/> NEW TITLE 24 COMPLIANT ECONOMIZER |
| <input type="checkbox"/> NEW GAS PIPING FROM <u></u> TO <u></u> | <input type="checkbox"/> 0-25% OUTSIDE AIR HOOD |
| <input checked="" type="checkbox"/> CONDENSATE PIPING DISCONNECT/RECONNECT | <input type="checkbox"/> 2-STAGE SUPPLY FAN |
| <input type="checkbox"/> NEW <u></u> CONDENSATE LINE <u></u> FT. | <input type="checkbox"/> MERV <u></u> FILTERS |
| <input checked="" type="checkbox"/> LINE VOLTAGE ELECTRICAL DISCONNECT/RECONNECT | <input checked="" type="checkbox"/> MEETS ALL CODE REQUIREMENTS |
| <input checked="" type="checkbox"/> NEW 70 AMP ELECTRICAL DISCONNECT | <input checked="" type="checkbox"/> COMPLETE START-UP TEST AND ADJUST |

Installed Price \$10,856.00

OPTIONS:

- ☒ FOR TITLE 24 DOCUMENTATION, MECHANICAL PERMIT AND ACCEPTANCE TESTING
- ☒ TO HAVE COILS SEA COATED FOR PROTECTION

ADD: \$ 1,385.00

ADD: \$ 1,212.00

Options \$

Total Amount \$

Exclusions: Terms :

By: Date: By: Mike Laine Date: 11/6/19
 ACCEPTANCE (CUSTOMER) APPROVAL (AIRTEC)

SALES ■ SERVICE ■ DESIGN ■ MAINTENANCE

ITEM: CONSENT CALENDAR**5. RECEIVE AND FILE FIRST QUARTER FINANCIAL ACTIVITY REPORT FOR FISCAL YEAR 2019-2020****Meeting Date:** November 18, 2019 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Suresh Prasad **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** The Administrative Committee reviewed this item on November 13, 2019 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: The first quarter of Fiscal Year (FY) 2019-2020 concluded on September 30, 2019. Table comparing budgeted and actual year-to-date revenues and expenditures for the period are included as **Exhibit 5-A**. **Exhibits 5-B** and **5-C** presents the same information in bar graph format. The following comments summarize District staff's observations:

REVENUES

The revenue table compares amounts received through the first quarter of FY 2019-2020 to the amounts budgeted for that same time-period. Total revenues collected were \$807,463, or 17.9% of the budgeted amount of \$4,509,838. Variances within the individual revenue categories are described below:

- Water Supply Charge revenues were (\$2,376), or -0.3% of the budget for the period. The first installment of this revenue is expected to be received in December 2019. Actual amount reflects water charge refunded to customers.
- Property tax revenues were \$0, or 0% of the budget for the period. The first installment of this revenue is expected to be received in December 2019.
- User fee revenues were \$508,012, or about 40.6% of the amount budgeted. This is below the budgeted amount as Reclamation Project's share is billed and collected at the end of the fiscal year. Also, Cal-Am portion of the User Fee revenue is collected in arrears, and Cal-Am has not paid for the months of August & September.
- Connection Charge revenues were \$82,990, or 83.0% of the budget for the period. Actual collection was lower than anticipated budgeted figure as the forecasted figures are based on estimated number of customers pulling permits. There were fewer connections received than budgeted for the fiscal year.
- Permit Fees revenues were \$56,464, or 97.8% of the budget for the period. Actual collection was lower than anticipated budgeted figure as the forecasted figures are based on estimated number of customers pulling permits. There were fewer permits received than budgeted for the fiscal year.

- Interest revenues were \$18,233, or 40.5% of the budget for the period. Actual interest received was lower than budgeted due to LAIF interest income received in the following quarter.
- Reimbursements of \$78,280, or 22.2% of the budget. This is based on actual spending and collection of reimbursement project funds. This is due to projects being deferred and continued to next quarter.
- Grant revenue of \$50,979, or 43.6% of the budget. This is due to grant funded projects being deferred and continued to next quarter.
- The Other revenue category totaled \$14,881 or about 160.9% of the budgeted amount. This category includes reimbursement revenues from legal and other miscellaneous services. Actual collections were higher than anticipated.
- The Reserves category totaled \$0 or about 0.00% of the budgeted amount. This category includes potential use of reserves and the water supply carry forward balance during the fiscal year for which adjustments will be made at the conclusion of the fiscal year.

EXPENDITURES

Expenditure activity as depicted on the expenditure table is similar to patterns seen in past fiscal years. Total expenditures of \$2,177,579 were about 48.3% of the budgeted amount of \$4,509,838 for the period. Variances within the individual expenditure categories are described below:

- Personnel costs of \$1,206,352 were about 119.0% of the budget. This was slightly higher than the anticipated budget due to CalPERS employer portion of the unfunded liability paid upfront for the fiscal year.
- Expenditures for supplies and services were \$308,647, or about 90.1% of the budgeted amount. This was lower than the anticipated budget.
- Fixed assets purchases of \$0 represented around 0.0% of the budgeted amount. This was due to fixed asset purchases deferred to next quarter.
- Funds spent for project expenditures were \$662,580, or approximately 22.9% of the amount budgeted for the period. This is due to most projects spending being deferred to next fiscal year.
- Debt Service included costs of \$0, or 0.0% of the budget for the period. Debt service is paid semi-annually, in December and June.
- Contingencies/Other expenditures \$0, or 0% of the budgeted amount. This was due to the contingency budget not spent during this quarter.
- Reserve expenditures of \$0, or 0% of the budgeted amount. This was due to the adjustments made at the conclusion of the fiscal year.

EXHIBITS

- 5-A** Revenue and Expenditure Table
- 5-B** Revenue Graph
- 5-C** Expenditure Graph

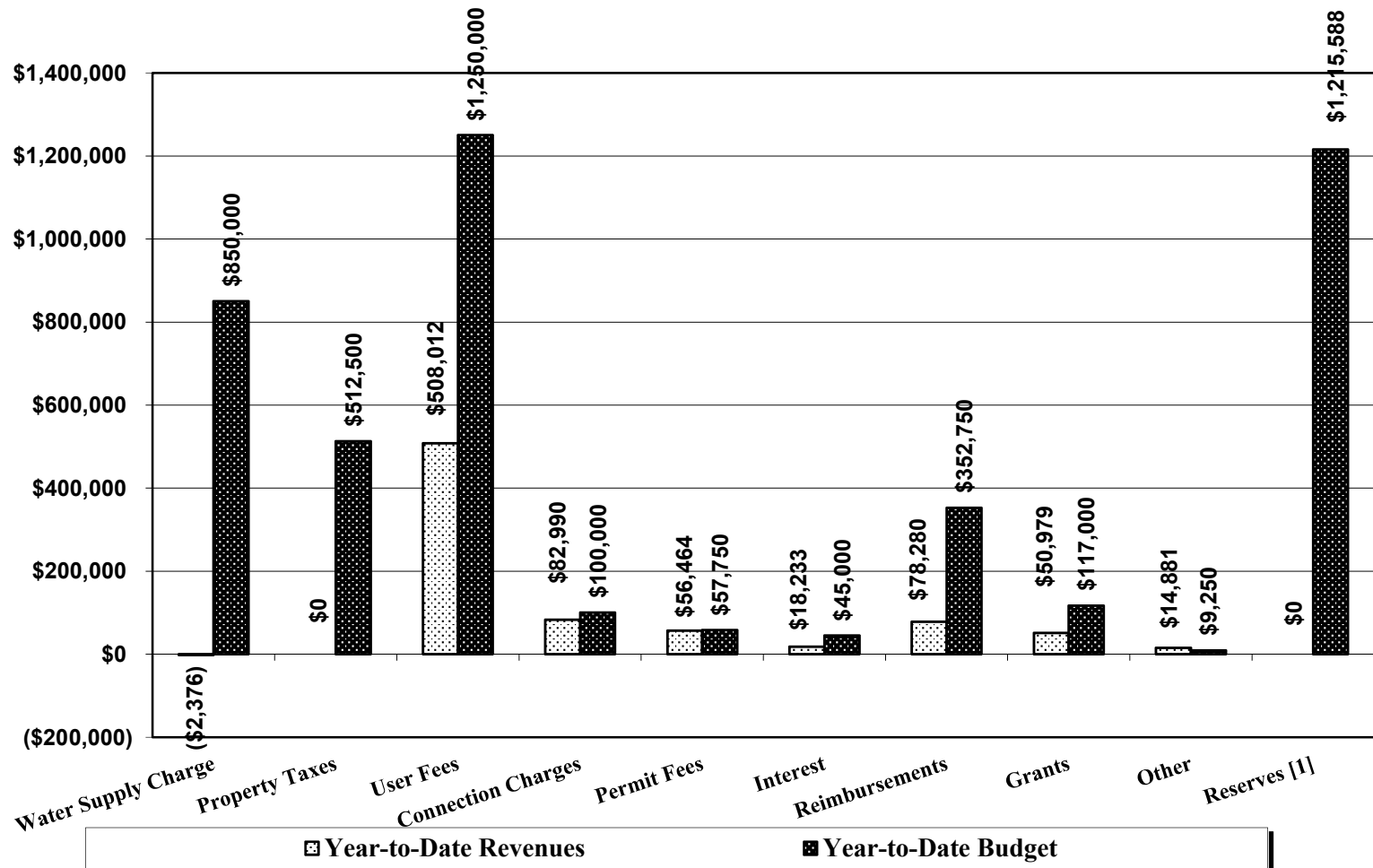
Monterey Peninsula Water Management District
Financial Activity as of September 30, 2019
Fiscal Year 2019-2020

	Year-to-Date <u>Revenues</u>	Year-to-Date <u>Budget</u>	<u>Variance</u>	Percent of <u>Budget</u>
Water Supply Charge	(\$2,376)	\$850,000	\$852,376	-0.3%
Property Taxes	\$0	\$512,500	\$512,500	0.0%
User Fees	\$508,012	\$1,250,000	\$741,988	40.6%
Connection Charges	\$82,990	\$100,000	\$17,010	83.0%
Permit Fees	\$56,464	\$57,750	\$1,286	97.8%
Interest	\$18,233	\$45,000	\$26,767	40.5%
Reimbursements	\$78,280	\$352,750	\$274,470	22.2%
Grants	\$50,979	\$117,000	\$66,021	43.6%
Other	\$14,881	\$9,250	(\$5,631)	160.9%
Reserves [1]	\$0	\$1,215,588	\$1,215,588	0.0%
Total Revenues	<u>\$807,463</u>	<u>\$4,509,838</u>	<u>\$3,702,375</u>	<u>17.9%</u>

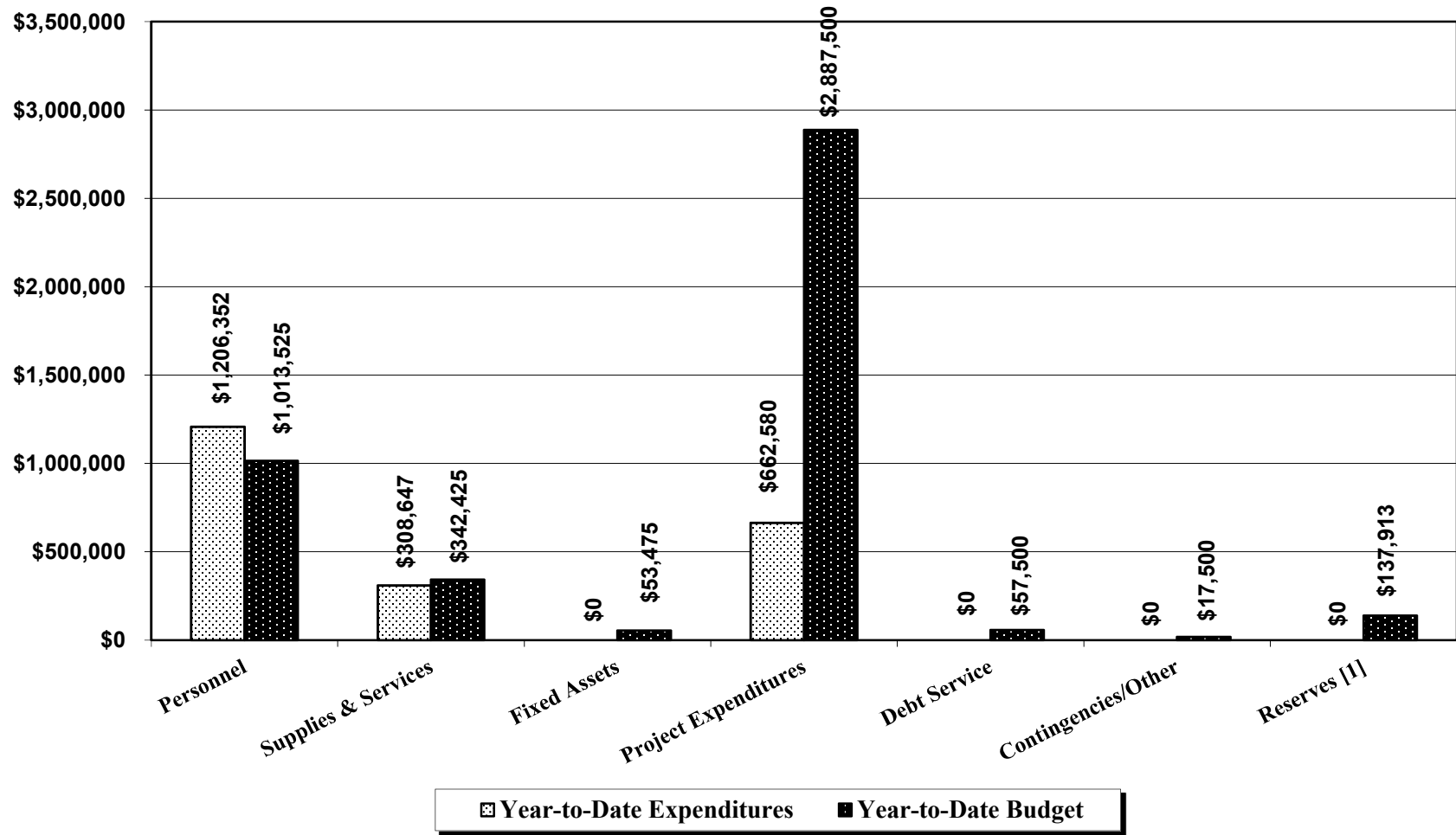
	Year-to-Date <u>Expenditures</u>	Year-to-Date <u>Budget</u>	<u>Variance</u>	Percent of <u>Budget</u>
Personnel	\$1,206,352	\$1,013,525	(\$192,827)	119.0%
Supplies & Services	\$308,647	\$342,425	\$33,778	90.1%
Fixed Assets	\$0	\$53,475	\$53,475	0.0%
Project Expenditures	\$662,580	\$2,887,500	\$2,224,920	22.9%
Debt Service	\$0	\$57,500	\$57,500	0.0%
Contingencies/Other	\$0	\$17,500	\$17,500	0.0%
Reserves [1]	\$0	\$137,913	\$137,913	0.0%
Total Expenditures	<u>\$2,177,579</u>	<u>\$4,509,838</u>	<u>\$2,332,259</u>	<u>48.3%</u>

[1] Budget column includes fund balance, water supply carry forward,
and reserve fund

REVENUES
Fiscal Year Ended September 30, 2019
 Year-to-Date Actual Revenues \$4,509,838
 Year-to-Date Budgeted Revenues \$807,463



EXPENDITURES
Fiscal Year Ended September 30, 2019
 Year-to-Date Actual Exenditures \$4,509,838
 Year-to-Date Budgeted Expenditures \$2,177,579



ITEM: CONSENT CALENDAR**6. CONSIDER APPROVAL OF FIRST QUARTER FISCAL YEAR 2019-2020
INVESTMENT REPORT****Meeting Date:** November 18, 2019 **Budgeted:** N/A**From:** David J. Stoldt,
 General Manager **Program/** N/A
 Line Item No.:**Prepared By:** Suresh Prasad **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** The Administrative Committee considered this item on November 13, 2019 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: The District's investment policy requires that each quarter the Board of Directors receive and approve a report on investments held by the District. **Exhibit 6-A** is the report for the quarter ending September 30, 2019. District staff has determined that these investments do include sufficient liquid funds to meet anticipated expenditures for the next six months and as a result this portfolio is in compliance with the current District investment policy. This portfolio is in compliance with the California Government Code, and the permitted investments of Monterey County.

RECOMMENDATION: Staff recommends the Board receive and approve the First Quarter Fiscal Year 2019-2020 Investment Report.

EXHIBIT**6-A** Investment Report as of September 30, 2019

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
INVESTMENT REPORT AS OF SEPTEMBER 30, 2019**

MPWMD

Issuing Institution Security Description	Purchase Date	Maturity Date	Cost Basis	Par Value	Market Value	Annual Rate of Return	Portfolio Distribution
Local Agency Investment Fund	09/30/19	10/01/19	\$10,229,390	\$10,229,390	\$10,229,390	2.450%	70.51%
Bank of America:							
Money Market	09/30/19	10/01/19	589,056	589,056	589,056	0.000%	
Checking	09/30/19	10/01/19	(386,559)	(386,559)	(386,559)	0.000%	
			\$202,496	\$202,496	\$202,496		1.40%
Wells Fargo Money Market	09/30/19	10/01/19	31,944	31,944	31,944	0.010%	
Wells Fargo Institutional Securities:							
Interest Bearing Certificate of Deposit	11/09/17	11/12/19	\$250,000	\$250,000	\$249,952	1.750%	
Interest Bearing Certificate of Deposit	02/22/18	02/24/20	\$250,000	\$250,000	\$250,546	2.400%	
Interest Bearing Certificate of Deposit	02/28/18	02/28/20	\$250,000	\$250,000	\$250,458	2.300%	
Interest Bearing Certificate of Deposit	03/05/18	03/05/20	\$250,000	\$250,000	\$250,534	2.350%	
Interest Bearing Certificate of Deposit	03/09/18	03/09/20	\$250,000	\$250,000	\$250,494	2.300%	
Interest Bearing Certificate of Deposit	06/13/18	06/15/20	\$250,000	\$250,000	\$251,655	2.750%	
Interest Bearing Certificate of Deposit	06/28/18	06/29/20	\$250,000	\$250,000	\$251,758	2.750%	
			\$1,781,944	\$1,781,944	\$1,787,340	2.371%	12.28%
Multi-Bank Securities Cash Account	09/30/19	10/01/19	60,246	60,246	60,246	0.000%	
Multi-Securities Bank Securities:							
Interest Bearing Certificate of Deposit	07/03/18	07/06/21	\$246,000	\$246,000	\$251,122	3.000%	
Interest Bearing Certificate of Deposit	06/29/18	06/29/20	\$249,000	\$249,000	\$250,843	2.800%	
Interest Bearing Certificate of Deposit	07/03/18	07/06/21	\$246,000	\$246,000	\$251,122	3.000%	
Interest Bearing Certificate of Deposit	07/06/18	07/06/20	\$249,000	\$249,000	\$250,795	2.750%	
Interest Bearing Certificate of Deposit	08/17/18	02/17/21	\$249,000	\$249,000	\$252,394	2.800%	
Interest Bearing Certificate of Deposit	10/05/18	10/05/21	\$249,000	\$249,000	\$255,397	3.100%	
Interest Bearing Certificate of Deposit	11/21/18	11/22/21	\$246,000	\$246,000	\$253,466	3.250%	
Interest Bearing Certificate of Deposit	01/09/19	01/10/22	\$250,000	\$250,000	\$257,230	3.100%	
Interest Bearing Certificate of Deposit	01/09/19	01/09/20	\$249,000	\$249,000	\$249,759	3.000%	
			\$2,293,246	\$2,293,246	\$2,332,374	2.977%	15.81%
TOTAL MPWMD			\$14,507,077	\$14,507,077	\$14,551,600	2.490%	

CAWD/PBCSD WASTEWATER RECLAMATION PROJECT

Issuing Institution Security Description	Purchase Date	Maturity Date	Cost Basis	Par Value	Market Value	Annual Rate of Return	Portfolio Distribution
US Bank Corp Trust Services:							0.17%
Certificate Payment Fund	09/30/19	10/01/19	813	813	813	0.000%	
Interest Fund	09/30/19	10/01/19	336	336	336	0.000%	
Rebate Fund	09/30/19	10/01/19	19	19	19	0.000%	
			\$1,169	\$1,169	\$1,169	0.000%	
Bank of America:							99.83%
Money Market Fund	09/30/19	10/01/19	702,530	702,530	\$702,530	0.000%	
TOTAL WASTEWATER RECLAMATION PROJECT			\$703,699	\$703,699	\$703,699	0.000%	

These investments do include sufficient liquid funds to meet anticipated expenditures for the next six months as reflected in the FY 2019-2020 annual budget adopted on June 17, 2019.

ITEM: CONSENT CALENDAR**7. CONSIDER ADOPTION OF TREASURER'S REPORT FOR SEPTEMBER 2019**

Meeting Date: November 18, 2019 **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 Administrative Committee considered this item on November 13, 2019 and recommended approval.

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

SUMMARY: Exhibit 7-A comprises the Treasurer's Report for September 2019. Exhibit 7-B and Exhibit 7-C are listings of check disbursements for the period September 1-30, 2019. Check Nos. 35560 through 35676, the direct deposits of employee's paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$1,274,910.82. There were no conservation rebates issued during the month. Exhibit 7-D reflects the unaudited version of the financial statements for the month ending September 30, 2019.

RECOMMENDATION: District staff recommends adoption of the September 2019 Treasurer's Report and financial statements, and ratification of the disbursements made during the month. District staff recommends adoption of the September 2019 Treasurer's Report and financial statements, and ratification of the disbursements made during the month.

EXHIBITS

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

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
TREASURER'S REPORT FOR SEPTEMBER 2019**

<u>Description</u>	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>L.A.I.F.</u>	<u>Wells Fargo Investments</u>	<u>Multi-Bank Securities</u>	<u>MPWMD Total</u>	<u>PB Reclamation Money Market</u>
Beginning Balance	(\$62,990.90)	\$777,539.85	\$10,229,390.00	\$1,777,871.72	\$2,289,531.99	\$15,018,022.85	\$462,576.43
Fee Deposits		763,625.23				763,625.23	689,991.10
MoCo Tax & WS Chg Installment Pymt						0.00	
Interest Received				4,072.46	3,714.10	7,786.56	
Transfer - Money Market/LAIF						0.00	
Transfer - Money Market/Checking	951,342.36	(951,342.36)				0.00	
Transfer - Money Market/Multi-Bank						0.00	
Transfer - Money Market/Wells Fargo						0.00	
Transfer to CAWD						0.00	(450,000.00)
Voided Cks						0.00	
Bank Corrections/Reversals/Errors		(733.00)				(733.00)	
Bank Charges/Other	(817.20)	(34.03)				(851.23)	(37.45)
Returned Deposits	-					0.00	
Payroll Tax/Benefit Deposits	(139,881.63)					(139,881.63)	
Payroll Checks/Direct Deposits	(164,883.14)					(164,883.14)	
General Checks	(969,328.85)					(969,328.85)	
Bank Draft Payments	-					0.00	
Ending Balance	(\$386,559.36)	\$589,055.69	\$10,229,390.00	\$1,781,944.18	\$2,293,246.09	\$14,507,076.60	\$702,530.08

Check Report

By Check Number

Date Range: 09/01/2019 - 09/30/2019



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						
00249	A.G. Davi, LTD	09/06/2019	Regular	0.00	395.00	35560
00767	AFLAC	09/06/2019	Regular	0.00	1,207.44	35561
00253	AT&T	09/06/2019	Regular	0.00	255.56	35562
00252	Cal-Am Water	09/06/2019	Regular	0.00	136.82	35563
06268	Comcast	09/06/2019	Regular	0.00	278.12	35564
00046	De Lay & Laredo	09/06/2019	Regular	0.00	70,454.23	35565
00041	Denise Duffy & Assoc. Inc.	09/06/2019	Regular	0.00	1,136.50	35566
00268	ESRI, Inc.	09/06/2019	Regular	0.00	10,643.64	35567
00094	John Arriaga	09/06/2019	Regular	0.00	2,500.00	35568
09990	Joseph Suwada	09/06/2019	Regular	0.00	131.60	35569
00280	Kevan Urquhart	09/06/2019	Regular	0.00	746.55	35570
00222	M.J. Murphy	09/06/2019	Regular	0.00	18.69	35571
00242	MBAS	09/06/2019	Regular	0.00	9,010.00	35572
16823	Mercer-Fraser Company	09/06/2019	Regular	0.00	187,321.30	35573
00118	Monterey Bay Carpet & Janitorial Svc	09/06/2019	Regular	0.00	1,000.00	35574
13502	Monterey Peninsula Unified School District	09/06/2019	Regular	0.00	1,111.53	35575
13396	Navia Benefit Solutions, Inc.	09/06/2019	Regular	0.00	209.65	35576
11818	Pebble Beach Company	09/06/2019	Regular	0.00	28,699.46	35577
00755	Peninsula Welding Supply, Inc.	09/06/2019	Regular	0.00	134.49	35578
00282	PG&E	09/06/2019	Regular	0.00	2,124.35	35579
00282	PG&E	09/06/2019	Regular	0.00	30,432.75	35580
00159	Pueblo Water Resources, Inc.	09/06/2019	Regular	0.00	3,537.50	35581
00262	Pure H2O	09/06/2019	Regular	0.00	65.24	35582
01020	Sara Reyes - Petty Cash Custodian	09/06/2019	Regular	0.00	247.67	35583
00258	TBC Communications & Media	09/06/2019	Regular	0.00	3,500.00	35584
00225	Trowbridge Enterprises Inc.	09/06/2019	Regular	0.00	439.38	35585
00207	Universal Staffing Inc.	09/06/2019	Regular	0.00	3,079.20	35586
00271	UPEC, Local 792	09/06/2019	Regular	0.00	950.00	35587
00763	ACWA-JPIA	09/13/2019	Regular	0.00	327.85	35589
01188	Alhambra	09/13/2019	Regular	0.00	207.63	35590
00760	Andy Bell	09/13/2019	Regular	0.00	684.00	35591
00252	Cal-Am Water	09/13/2019	Regular	0.00	324.28	35592
00243	CalPers Long Term Care Program	09/13/2019	Regular	0.00	50.06	35593
04043	Campbell Scientific, Inc.	09/13/2019	Regular	0.00	19,421.52	35594
00028	Colantuono, Highsmith, & Whatley, PC	09/13/2019	Regular	0.00	97.50	35595
18408	Dell Business Credit	09/13/2019	Regular	0.00	820.62	35596
00761	Delores Cofer	09/13/2019	Regular	0.00	342.00	35597
00083	Hayashi & Wayland Accountancy Corp.	09/13/2019	Regular	0.00	6,000.00	35598
00986	Henrietta Stern	09/13/2019	Regular	0.00	2,437.94	35599
00768	ICMA	09/13/2019	Regular	0.00	15,575.09	35600
01002	Monterey County Clerk	09/13/2019	Regular	0.00	50.00	35601
13396	Navia Benefit Solutions, Inc.	09/13/2019	Regular	0.00	1,654.12	35602
00138	Overhead Door Company of Salinas	09/13/2019	Regular	0.00	1,162.05	35603
00755	Peninsula Welding Supply, Inc.	09/13/2019	Regular	0.00	64.50	35604
00258	TBC Communications & Media	09/13/2019	Regular	0.00	4,801.25	35605
00269	U.S. Bank	09/13/2019	Regular	0.00	4,108.76	35606
	Void	09/13/2019	Regular	0.00	0.00	35607
00207	Universal Staffing Inc.	09/13/2019	Regular	0.00	1,906.36	35608
18735	ARCpoint Labs	09/20/2019	Regular	0.00	45.00	35612
00252	Cal-Am Water	09/20/2019	Regular	0.00	68.62	35613
06268	Comcast	09/20/2019	Regular	0.00	288.12	35614
00281	CoreLogic Information Solutions, Inc.	09/20/2019	Regular	0.00	1,854.16	35615
04041	Cynthia Schmidlin	09/20/2019	Regular	0.00	691.33	35616

EXHIBIT 7-B

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Check Report**Date Range: 09/01/2019 - 09/30/2019**

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00046	De Lay & Laredo	09/20/2019	Regular	0.00	42,134.09	35617
18225	DUDEK	09/20/2019	Regular	0.00	7,375.00	35618
00192	Extra Space Storage	09/20/2019	Regular	0.00	885.00	35619
00277	Home Depot Credit Services	09/20/2019	Regular	0.00	106.25	35620
03857	Joe Oliver	09/20/2019	Regular	0.00	1,218.97	35621
06999	KBA Docusys	09/20/2019	Regular	0.00	588.58	35622
06745	KBA Docusys - Lease Payments	09/20/2019	Regular	0.00	947.21	35623
05830	Larry Hampson	09/20/2019	Regular	0.00	1,018.00	35624
13431	Lynx Technologies, Inc	09/20/2019	Regular	0.00	3,675.00	35625
00259	Marina Coast Water District	09/20/2019	Regular	0.00	82.66	35626
00259	Marina Coast Water District	09/20/2019	Regular	0.00	82.66	35627
07771	Monterey Bay Urgent Care	09/20/2019	Regular	0.00	60.00	35628
01199	Monterey Signs, Inc.	09/20/2019	Regular	0.00	999.75	35629
00278	Monterey Tire Service	09/20/2019	Regular	0.00	79.95	35630
00755	Peninsula Welding Supply, Inc.	09/20/2019	Regular	0.00	63.14	35631
00282	PG&E	09/20/2019	Regular	0.00	20.70	35632
00282	PG&E	09/20/2019	Regular	0.00	114.15	35633
06746	POSTMASTER	09/20/2019	Regular	0.00	250.00	35634
18544	Psomas	09/20/2019	Regular	0.00	2,625.00	35635
00159	Pueblo Water Resources, Inc.	09/20/2019	Regular	0.00	10,570.39	35636
13394	Regional Government Services	09/20/2019	Regular	0.00	8,813.10	35637
00176	Sentry Alarm Systems	09/20/2019	Regular	0.00	125.50	35638
04709	Sherron Forsgren	09/20/2019	Regular	0.00	736.35	35639
09989	Star Sanitation Services	09/20/2019	Regular	0.00	89.26	35640
00258	TBC Communications & Media	09/20/2019	Regular	0.00	4,987.50	35641
04719	Telit Io T Platforms, LLC	09/20/2019	Regular	0.00	336.15	35642
17965	The Maynard Group	09/20/2019	Regular	0.00	1,520.69	35643
00269	U.S. Bank	09/20/2019	Regular	0.00	1,295.01	35644
00207	Universal Staffing Inc.	09/20/2019	Regular	0.00	2,977.70	35645
08105	Yolanda Munoz	09/20/2019	Regular	0.00	540.00	35646
15399	Accela Inc.	09/27/2019	Regular	0.00	63,326.20	35647
00036	Parham Living Trust	09/27/2019	Regular	0.00	850.00	35648
01195	California Dept. of Fish & Wildlife	09/27/2019	Regular	0.00	3,288.75	35649
09124	California Municipal Treasurers Association	09/27/2019	Regular	0.00	95.00	35650
00046	De Lay & Laredo	09/27/2019	Regular	0.00	7,207.50	35651
00073	Grindstone Sharpening	09/27/2019	Regular	0.00	121.58	35652
00993	Harris Court Business Park	09/27/2019	Regular	0.00	721.26	35653
00277	Home Depot Credit Services	09/27/2019	Regular	0.00	182.92	35654
00768	ICMA	09/27/2019	Regular	0.00	3,215.09	35655
05830	Larry Hampson	09/27/2019	Regular	0.00	59.07	35656
05829	Mark Bekker	09/27/2019	Regular	0.00	1,018.00	35657
00242	MBAS	09/27/2019	Regular	0.00	1,935.00	35658
14566	Medics for Life, Inc.	09/27/2019	Regular	0.00	845.00	35659
01002	Monterey County Clerk	09/27/2019	Regular	0.00	50.00	35660
01002	Monterey County Clerk	09/27/2019	Regular	0.00	50.00	35661
00274	Monterey One Water	09/27/2019	Regular	0.00	312,617.94	35662
13396	Navia Benefit Solutions, Inc.	09/27/2019	Regular	0.00	770.84	35663
00282	PG&E	09/27/2019	Regular	0.00	36.10	35664
00282	PG&E	09/27/2019	Regular	0.00	171.68	35665
00282	PG&E	09/27/2019	Regular	0.00	41,063.74	35666
00282	PG&E	09/27/2019	Regular	0.00	21.73	35667
00752	Professional Liability Insurance Service	09/27/2019	Regular	0.00	40.20	35668
00251	Rick Dickhaut	09/27/2019	Regular	0.00	531.50	35669
00766	Standard Insurance Company	09/27/2019	Regular	0.00	1,381.06	35670
09989	Star Sanitation Services	09/27/2019	Regular	0.00	107.51	35671
17965	The Maynard Group	09/27/2019	Regular	0.00	9,120.16	35672
00207	Universal Staffing Inc.	09/27/2019	Regular	0.00	3,045.20	35673
13080	West Marine Products	09/27/2019	Regular	0.00	177.00	35674
18163	Wex Bank	09/27/2019	Regular	0.00	211.63	35675
Total Regular:					969,328.85	

EXHIBIT 7-B

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Check Report**Date Range: 09/01/2019 - 09/30/2019**

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payment Type: Bank Draft						
00266	I.R.S.	09/13/2019	Bank Draft	0.00	11,728.77	DFT0001464
00266	I.R.S.	09/13/2019	Bank Draft	0.00	2,650.90	DFT0001465
00267	Employment Development Dept.	09/13/2019	Bank Draft	0.00	4,512.56	DFT0001466
00266	I.R.S.	09/13/2019	Bank Draft	0.00	933.74	DFT0001467
00266	I.R.S.	09/13/2019	Bank Draft	0.00	14,510.94	DFT0001469
00266	I.R.S.	09/13/2019	Bank Draft	0.00	1,672.52	DFT0001470
00267	Employment Development Dept.	09/13/2019	Bank Draft	0.00	5,671.75	DFT0001471
00256	PERS Retirement	09/05/2019	Bank Draft	0.00	15,139.34	DFT0001472
00256	PERS Retirement	09/13/2019	Bank Draft	0.00	700.00	DFT0001473
00266	I.R.S.	09/17/2019	Bank Draft	0.00	21.00	DFT0001475
00266	I.R.S.	09/17/2019	Bank Draft	0.00	66.60	DFT0001476
00266	I.R.S.	09/17/2019	Bank Draft	0.00	284.58	DFT0001477
00769	Laborers Trust Fund of Northern CA	09/13/2019	Bank Draft	0.00	26,620.00	DFT0001478
00266	I.R.S.	09/27/2019	Bank Draft	0.00	14,103.23	DFT0001480
00266	I.R.S.	09/27/2019	Bank Draft	0.00	2,899.26	DFT0001481
00267	Employment Development Dept.	09/27/2019	Bank Draft	0.00	5,518.74	DFT0001482
00266	I.R.S.	09/27/2019	Bank Draft	0.00	807.04	DFT0001483
00266	I.R.S.	09/27/2019	Bank Draft	0.00	18.34	DFT0001484
00267	Employment Development Dept.	09/27/2019	Bank Draft	0.00	1.58	DFT0001485
00266	I.R.S.	09/27/2019	Bank Draft	0.00	78.44	DFT0001486
00256	PERS Retirement	09/26/2019	Bank Draft	0.00	15,139.32	DFT0001487
00256	PERS Retirement	09/30/2019	Bank Draft	0.00	16,802.98	DFT0001497
Total Bank Draft:					139,881.63	

Bank Code APBNK	Summary			
Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	164	111	0.00	969,328.85
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	34	22	0.00	139,881.63
EFT's	0	0	0.00	0.00
	198	134	0.00	1,109,210.48

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	164	111	0.00	969,328.85
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	34	22	0.00	139,881.63
EFT's	0	0	0.00	0.00
	198	134	0.00	1,109,210.48

Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	9/2019	1,109,210.48
			1,109,210.48



Monterey Peninsula Water Management Dist

Payroll Bank Transaction Report

By Payment Number

Date: 9/1/2019 - 9/30/2019

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
4617	09/13/2019	Regular	1024	Stoldt, David J	0.00	5,720.87	5,720.87
4618	09/13/2019	Regular	1025	Tavani, Arlene M	0.00	2,089.93	2,089.93
4619	09/13/2019	Regular	1044	Bennett, Corryn D	0.00	2,127.07	2,127.07
4620	09/13/2019	Regular	1006	Dudley, Mark A	0.00	2,646.65	2,646.65
4621	09/13/2019	Regular	1018	Prasad, Suresh	0.00	4,259.54	4,259.54
4622	09/13/2019	Regular	1019	Reyes, Sara C	0.00	1,768.84	1,768.84
4623	09/13/2019	Regular	1042	Hamilton, Maureen C.	0.00	3,272.22	3,272.22
4624	09/13/2019	Regular	6063	Hampson, Larry M	0.00	3,178.50	3,178.50
4625	09/13/2019	Regular	1009	James, Gregory W	0.00	3,096.09	3,096.09
4626	09/13/2019	Regular	1011	Lear, Jonathan P	0.00	3,883.02	3,883.02
4627	09/13/2019	Regular	1012	Lindberg, Thomas L	0.00	2,514.68	2,514.68
4628	09/13/2019	Regular	1043	Suwada, Joseph	0.00	1,825.22	1,825.22
4629	09/13/2019	Regular	1045	Atkins, Daniel N	0.00	1,787.69	1,787.69
4630	09/13/2019	Regular	1004	Chaney, Beverly M	0.00	2,532.04	2,532.04
4631	09/13/2019	Regular	1005	Christensen, Thomas T	0.00	3,402.68	3,402.68
4632	09/13/2019	Regular	1007	Hamilton, Cory R	0.00	2,229.06	2,229.06
4633	09/13/2019	Regular	6066	Lesse, Marina I	0.00	406.34	406.34
4634	09/13/2019	Regular	6064	Li, Trevin	0.00	822.57	822.57
4635	09/13/2019	Regular	1048	Lumas, Eric M	0.00	1,643.68	1,643.68
4636	09/13/2019	Regular	6065	Manos, Robert L	0.00	488.52	488.52
4637	09/13/2019	Regular	1026	Urquhart, Kevan A	0.00	2,211.94	2,211.94
4638	09/13/2019	Regular	1001	Bravo, Gabriela D	0.00	2,437.90	2,437.90
4639	09/13/2019	Regular	1010	Kister, Stephanie L	0.00	2,685.27	2,685.27
4640	09/13/2019	Regular	1017	Locke, Stephanie L	0.00	3,459.33	3,459.33
4641	09/13/2019	Regular	1040	Smith, Kyle	0.00	2,163.52	2,163.52
4642	09/13/2019	Regular	1047	Timmer, Christopher	0.00	2,071.12	2,071.12
4643	09/13/2019	Regular	1006	Dudley, Mark A	0.00	25,055.19	25,055.19
4644	09/17/2019	Regular	7015	Adams, Mary L	0.00	236.96	236.96
4645	09/17/2019	Regular	7014	Evans, Molly F	0.00	490.07	490.07
4646	09/17/2019	Regular	7017	Hoffmann, Gary D	0.00	498.69	498.69
4647	09/17/2019	Regular	7018	Riley, George T	0.00	249.34	249.34
4648	09/27/2019	Regular	1024	Stoldt, David J	0.00	5,720.87	5,720.87
4649	09/27/2019	Regular	1025	Tavani, Arlene M	0.00	2,445.40	2,445.40
4650	09/27/2019	Regular	1044	Bennett, Corryn D	0.00	2,529.81	2,529.81
4651	09/27/2019	Regular	1018	Prasad, Suresh	0.00	4,986.87	4,986.87
4652	09/27/2019	Regular	1019	Reyes, Sara C	0.00	2,141.88	2,141.88
4653	09/27/2019	Regular	1042	Hamilton, Maureen C.	0.00	3,827.54	3,827.54
4654	09/27/2019	Regular	6063	Hampson, Larry M	0.00	2,461.27	2,461.27
4655	09/27/2019	Regular	1009	James, Gregory W	0.00	3,585.07	3,585.07
4656	09/27/2019	Regular	1011	Lear, Jonathan P	0.00	4,542.53	4,542.53
4657	09/27/2019	Regular	1012	Lindberg, Thomas L	0.00	2,975.66	2,975.66
4658	09/27/2019	Regular	1043	Suwada, Joseph	0.00	2,128.42	2,128.42
4659	09/27/2019	Regular	1045	Atkins, Daniel N	0.00	2,078.73	2,078.73
4660	09/27/2019	Regular	1004	Chaney, Beverly M	0.00	3,002.22	3,002.22
4661	09/27/2019	Regular	1005	Christensen, Thomas T	0.00	3,968.90	3,968.90
4662	09/27/2019	Regular	1007	Hamilton, Cory R	0.00	2,648.10	2,648.10
4663	09/27/2019	Regular	6067	Karo, Julia	0.00	973.78	973.78
4664	09/27/2019	Regular	6064	Li, Trevin	0.00	822.57	822.57
4665	09/27/2019	Regular	1048	Lumas, Eric M	0.00	1,931.03	1,931.03
4666	09/27/2019	Regular	6065	Manos, Robert L	0.00	880.20	880.20
4667	09/27/2019	Regular	1026	Urquhart, Kevan A	0.00	2,743.97	2,743.97
4668	09/27/2019	Regular	1001	Bravo, Gabriela D	0.00	2,952.79	2,952.79
4669	09/27/2019	Regular	1010	Kister, Stephanie L	0.00	3,194.12	3,194.12
4670	09/27/2019	Regular	1017	Locke, Stephanie L	0.00	4,050.86	4,050.86
4671	09/27/2019	Regular	1040	Smith, Kyle	0.00	2,535.42	2,535.42
4672	09/27/2019	Regular	1047	Timmer, Christopher	0.00	2,421.76	2,421.76
35588	09/13/2019	Regular	6067	Karo, Julia	872.95	0.00	872.95

EXHIBIT 7-C

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	44 Total Payment
35609	09/17/2019	Regular	7007	Byrne, Jeannie	249.34	0.00	249.34
35610	09/17/2019	Regular	7009	Edwards, Alvin	249.34	0.00	249.34
35611	09/17/2019	Regular	7004	Potter, David L	124.67	0.00	124.67
35676	09/27/2019	Regular	6066	Lesse, Marina I	582.53	0.00	582.53
Total:					2,078.83	162,804.31	164,883.14



Monterey Peninsula Water Management Dist

Statement of Revenue Over Expense - No Decimals

Group Summary

For Fiscal: 2019-2020 Period Ending: 09/30/2019

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Revenue								
R100 - Water Supply Charge	-2,376	283,220	-285,596	-0.84 %	-2,376	3,400,000	-3,402,376	-0.07 %
R120 - Property Taxes Revenues	0	170,765	-170,765	0.00 %	0	2,050,000	-2,050,000	0.00 %
R130 - User Fees	499,200	416,500	82,700	119.86 %	508,012	5,000,000	-4,491,988	10.16 %
R140 - Connection Charges	41,437	33,320	8,117	124.36 %	82,990	400,000	-317,010	20.75 %
R150 - Permit Processing Fee	22,093	14,578	7,516	151.56 %	56,464	175,000	-118,536	32.27 %
R190 - WDS Permits Rule 21	0	4,665	-4,665	0.00 %	0	56,000	-56,000	0.00 %
R200 - Recording Fees	3,410	500	2,910	682.27 %	8,970	6,000	2,970	149.50 %
R210 - Legal Fees	0	1,333	-1,333	0.00 %	150	16,000	-15,850	0.94 %
R220 - Copy Fee	43	0	43	0.00 %	53	0	53	0.00 %
R230 - Miscellaneous - Other	281	1,250	-968	22.52 %	281	15,000	-14,719	1.88 %
R240 - Insurance Refunds	5,427	0	5,427	0.00 %	5,427	0	5,427	0.00 %
R250 - Interest Income	7,787	14,994	-7,207	51.93 %	18,233	180,000	-161,767	10.13 %
R260 - CAW - ASR	0	40,376	-40,376	0.00 %	0	484,700	-484,700	0.00 %
R270 - CAW - Rebates	49,543	58,310	-8,768	84.96 %	78,280	700,000	-621,720	11.18 %
R290 - CAW - Miscellaneous	0	3,749	-3,749	0.00 %	0	45,000	-45,000	0.00 %
R300 - Watermaster	0	2,916	-2,916	0.00 %	0	35,000	-35,000	0.00 %
R308 - Reclamation Project	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	10,521	-10,521	0.00 %	0	126,300	-126,300	0.00 %
R320 - Grants	0	38,984	-38,984	0.00 %	50,979	468,000	-417,021	10.89 %
R500 - Capital Equipment Reserve	0	2,374	-2,374	0.00 %	0	28,500	-28,500	0.00 %
R510 - Operating Reserve	0	402,660	-402,660	0.00 %	0	4,833,850	-4,833,850	0.00 %
Total Revenue:	626,844	1,502,678	-875,834	41.72 %	807,463	18,039,350	-17,231,887	4.48 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	254,848	229,458	-25,390	111.07 %	627,309	2,754,600	2,127,291	22.77 %
1110 - Manager's Auto Allowance	462	500	38	92.34 %	1,385	6,000	4,615	23.09 %
1120 - Manager's Deferred Comp	714	783	69	91.20 %	2,143	9,400	7,257	22.80 %
1130 - Unemployment Compensation	0	250	250	0.00 %	723	3,000	2,277	24.10 %
1150 - Temporary Personnel	11,008	4,590	-6,419	239.84 %	33,664	55,100	21,436	61.10 %
1160 - PERS Retirement	17,418	49,439	32,021	35.23 %	403,897	593,500	189,603	68.05 %
1170 - Medical Insurance	25,432	31,346	5,914	81.13 %	77,444	376,300	298,856	20.58 %
1180 - Medical Insurance - Retirees	9,703	6,497	-3,206	149.34 %	27,364	78,000	50,636	35.08 %
1190 - Workers Compensation	3,844	5,939	2,095	64.72 %	12,586	71,300	58,714	17.65 %
1200 - Life Insurance	290	392	102	73.94 %	874	4,700	3,826	18.60 %
1210 - Long Term Disability Insurance	1,057	1,266	209	83.51 %	3,143	15,200	12,057	20.68 %
1220 - Short Term Disability Insurance	210	283	73	74.10 %	624	3,400	2,776	18.35 %
1230 - Other Benefits	70	125	55	56.02 %	210	1,500	1,290	14.00 %
1260 - Employee Assistance Program	52	125	73	41.38 %	157	1,500	1,343	10.50 %
1270 - FICA Tax Expense	1,035	683	-352	151.55 %	2,298	8,200	5,902	28.03 %
1280 - Medicare Tax Expense	3,650	3,407	-243	107.13 %	10,286	40,900	30,614	25.15 %
1290 - Staff Development & Training	350	1,200	850	29.18 %	1,393	14,400	13,007	9.67 %
1300 - Conference Registration	805	966	161	83.31 %	805	11,600	10,795	6.94 %
1310 - Professional Dues	0	208	208	0.00 %	0	2,500	2,500	0.00 %
1320 - Personnel Recruitment	45	250	205	18.01 %	45	3,000	2,955	1.50 %
Total Level1: 100 - Personnel Costs:	330,993	337,707	6,714	98.01 %	1,206,352	4,054,100	2,847,748	29.76 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	2,025	2,824	799	71.71 %	6,885	33,900	27,015	20.31 %
2020 - Board Expenses	0	425	425	0.00 %	963	5,100	4,137	18.88 %
2040 - Rent	2,130	1,933	-197	110.22 %	5,990	23,200	17,210	25.82 %
2060 - Utilities	4,820	2,766	-2,055	174.29 %	8,159	33,200	25,041	24.57 %
2120 - Insurance Expense	5,847	5,423	-425	107.83 %	17,543	65,100	47,557	26.95 %
2130 - Membership Dues	11,311	2,782	-8,529	406.55 %	12,732	33,400	20,668	38.12 %
2140 - Bank Charges	851	325	-526	262.02 %	4,221	3,900	-321	108.23 %
2150 - Office Supplies	1,513	1,449	-64	104.41 %	4,258	17,400	13,142	24.47 %
2160 - Courier Expense	788	508	-280	155.08 %	1,623	6,100	4,477	26.61 %
2170 - Printing/Photocopy	0	42	42	0.00 %	0	500	500	0.00 %
2180 - Postage & Shipping	0	566	566	0.00 %	825	6,800	5,975	12.13 %
2190 - IT Supplies/Services	21,223	12,495	-8,728	169.86 %	70,616	150,000	79,384	47.08 %
2200 - Professional Fees	24,517	30,038	5,521	81.62 %	75,269	360,600	285,331	20.87 %
2220 - Equipment Repairs & Maintenance	0	583	583	0.00 %	2,119	7,000	4,881	30.28 %
2235 - Equipment Lease	1,817	1,158	-659	156.95 %	4,090	13,900	9,810	29.42 %
2240 - Telephone	1,312	4,223	2,911	31.08 %	11,960	50,700	38,740	23.59 %
2260 - Facility Maintenance	3,370	3,432	62	98.20 %	10,275	41,200	30,925	24.94 %
2270 - Travel Expenses	1,081	2,591	1,510	41.72 %	1,252	31,100	29,848	4.02 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	3,496	2,916	-580	119.91 %	8,242	35,000	26,758	23.55 %
2300 - Legal Services	34,573	33,320	-1,253	103.76 %	56,179	400,000	343,821	14.04 %
2380 - Meeting Expenses	145	508	363	28.62 %	747	6,100	5,353	12.25 %
2420 - Legal Notices	0	258	258	0.00 %	0	3,100	3,100	0.00 %
2460 - Public Outreach	742	208	-534	356.35 %	911	2,500	1,589	36.46 %
2480 - Miscellaneous	379	250	-129	151.61 %	379	3,000	2,621	12.63 %
2500 - Tax Administration Fee	0	1,666	1,666	0.00 %	0	20,000	20,000	0.00 %
2900 - Operating Supplies	1,431	1,408	-24	101.67 %	3,410	16,900	13,490	20.18 %
Total Level1: 200 - Supplies and Services:	123,373	114,096	-9,277	108.13 %	308,647	1,369,700	1,061,053	22.53 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	169,969	962,115	792,146	17.67 %	662,580	11,550,000	10,887,420	5.74 %
4000 - Fixed Asset Purchases	0	17,818	17,818	0.00 %	0	213,900	213,900	0.00 %
5000 - Debt Service	0	19,159	19,159	0.00 %	0	230,000	230,000	0.00 %
6000 - Contingencies	0	5,831	5,831	0.00 %	0	70,000	70,000	0.00 %
6500 - Reserves	0	45,952	45,952	0.00 %	0	551,650	551,650	0.00 %
Total Level1: 300 - Other Expenses:	169,969	1,050,875	880,906	16.17 %	662,580	12,615,550	11,952,970	5.25 %
Total Expense:	624,335	1,502,678	878,343	41.55 %	2,177,579	18,039,350	15,861,771	12.07 %
Report Total:	2,509	0	2,509		-1,370,116	0	-1,370,116	

EXHIBIT 7-D**Statement of Revenue Over Expense - No Decimals**

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For Fiscal: 2019-2020 Period Ending: 09/30/2019

Fund Summary

Fund	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	59,665	0	59,665		-597,576	0	-597,576	
26 - CONSERVATION FUND	77,647	0	77,647		-140,274	0	-140,274	
35 - WATER SUPPLY FUND	-134,803	0	-134,803		-632,266	0	-632,266	
Report Total:	2,509	0.01	2,509		-1,370,116	0	-1,370,116	



Monterey Peninsula Water Management Dist

Statement of Revenue Over Expense - No Decimals

Group Summary

For Fiscal: 2019-2020 Period Ending: 09/30/2019

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 24 - MITIGATION FUND								
Revenue								
R130 - User Fees	308,510	256,564	51,946	120.25 %	315,950	3,080,000	-2,764,050	10.26 %
R190 - WDS Permits Rule 21	0	4,665	-4,665	0.00 %	0	56,000	-56,000	0.00 %
R220 - Copy Fee	18	0	18	0.00 %	22	0	22	0.00 %
R230 - Miscellaneous - Other	115	417	-301	27.70 %	115	5,000	-4,885	2.31 %
R240 - Insurance Refunds	2,225	0	2,225	0.00 %	2,225	0	2,225	0.00 %
R250 - Interest Income	4,209	4,165	44	101.07 %	5,856	50,000	-44,144	11.71 %
R290 - CAW - Miscellaneous	0	3,749	-3,749	0.00 %	0	45,000	-45,000	0.00 %
R310 - Other Reimbursements	0	7,522	-7,522	0.00 %	0	90,300	-90,300	0.00 %
R320 - Grants	0	38,984	-38,984	0.00 %	16,288	468,000	-451,712	3.48 %
R500 - Capital Equipment Reserve	0	950	-950	0.00 %	0	11,400	-11,400	0.00 %
R510 - Operating Reserve	0	55,378	-55,378	0.00 %	0	664,800	-664,800	0.00 %
Total Revenue:	315,078	372,393	-57,315	-84.61 %	340,455	4,470,500	-4,130,045	7.62 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	97,487	88,889	-8,597	109.67 %	242,904	1,067,100	824,196	22.76 %
1110 - Manager's Auto Allowance	92	75	-17	123.12 %	277	900	623	30.78 %
1120 - Manager's Deferred Comp	143	117	-26	122.47 %	429	1,400	971	30.63 %
1130 - Unemployment Compensation	0	100	100	0.00 %	296	1,200	904	24.70 %
1150 - Temporary Personnel	2,778	1,883	-895	147.56 %	8,504	22,600	14,096	37.63 %
1160 - PERS Retirement	6,885	19,092	12,207	36.06 %	156,810	229,200	72,390	68.42 %
1170 - Medical Insurance	10,670	12,895	2,225	82.75 %	32,125	154,800	122,675	20.75 %
1180 - Medical Insurance - Retirees	3,978	2,666	-1,313	149.25 %	11,200	32,000	20,800	35.00 %
1190 - Workers Compensation	2,304	3,390	1,086	67.96 %	7,499	40,700	33,201	18.43 %
1200 - Life Insurance	122	158	36	77.20 %	367	1,900	1,533	19.33 %
1210 - Long Term Disability Insurance	435	508	74	85.52 %	1,284	6,100	4,816	21.04 %
1220 - Short Term Disability Insurance	86	108	22	79.63 %	255	1,300	1,045	19.60 %
1230 - Other Benefits	29	50	21	57.42 %	86	600	514	14.35 %
1260 - Employee Assistance Program	22	42	20	52.39 %	66	500	434	13.12 %
1270 - FICA Tax Expense	708	308	-400	229.70 %	1,440	3,700	2,260	38.93 %
1280 - Medicare Tax Expense	1,493	1,316	-177	113.44 %	4,171	15,800	11,629	26.40 %
1290 - Staff Development & Training	144	375	231	38.28 %	589	4,500	3,911	13.09 %
1300 - Conference Registration	239	317	78	75.47 %	239	3,800	3,561	6.29 %
1310 - Professional Dues	0	67	67	0.00 %	0	800	800	0.00 %
1320 - Personnel Recruitment	18	100	82	18.46 %	18	1,200	1,182	1.54 %
Total Level1: 100 - Personnel Costs:	127,633	132,455	4,823	96.36 %	468,561	1,590,100	1,121,539	29.47 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	668	1,158	490	57.71 %	2,296	13,900	11,604	16.52 %
2020 - Board Expenses	0	175	175	0.00 %	395	2,100	1,705	18.80 %
2040 - Rent	985	891	-94	110.55 %	2,756	10,700	7,944	25.76 %
2060 - Utilities	1,982	1,141	-841	173.66 %	3,361	13,700	10,339	24.53 %
2120 - Insurance Expense	2,397	2,224	-173	107.79 %	7,192	26,700	19,508	26.94 %
2130 - Membership Dues	4,471	975	-3,496	458.75 %	5,054	11,700	6,646	43.19 %
2140 - Bank Charges	349	133	-216	261.86 %	1,731	1,600	-131	108.17 %
2150 - Office Supplies	462	583	121	79.23 %	913	7,000	6,087	13.04 %
2160 - Courier Expense	323	208	-115	155.14 %	665	2,500	1,835	26.62 %
2170 - Printing/Photocopy	0	17	17	0.00 %	0	200	200	0.00 %
2180 - Postage & Shipping	0	233	233	0.00 %	338	2,800	2,462	12.08 %
2190 - IT Supplies/Services	8,702	5,123	-3,579	169.86 %	28,949	61,500	32,551	47.07 %
2200 - Professional Fees	10,052	12,320	2,268	81.59 %	30,845	147,900	117,055	20.86 %
2220 - Equipment Repairs & Maintenance	0	242	242	0.00 %	848	2,900	2,052	29.23 %
2235 - Equipment Lease	745	475	-270	156.92 %	1,684	5,700	4,016	29.55 %
2240 - Telephone	1,066	1,716	650	62.11 %	5,666	20,600	14,934	27.50 %
2260 - Facility Maintenance	1,382	1,416	34	97.58 %	4,203	17,000	12,797	24.72 %
2270 - Travel Expenses	447	783	336	57.14 %	486	9,400	8,914	5.17 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	3,112	1,308	-1,804	237.94 %	6,825	15,700	8,875	43.47 %
2300 - Legal Services	12,554	9,996	-2,558	125.59 %	20,037	120,000	99,963	16.70 %
2380 - Meeting Expenses	60	208	149	28.63 %	306	2,500	2,194	12.26 %
2420 - Legal Notices	0	108	108	0.00 %	0	1,300	1,300	0.00 %
2460 - Public Outreach	296	83	-213	355.41 %	366	1,000	635	36.55 %
2480 - Miscellaneous	155	100	-55	155.40 %	155	1,200	1,045	12.95 %
2500 - Tax Administration Fee	0	483	483	0.00 %	0	5,800	5,800	0.00 %
2900 - Operating Supplies	156	183	27	85.12 %	280	2,200	1,920	12.74 %
Total Level1: 200 - Supplies and Services:	50,364	42,283	-8,081	119.11 %	125,353	507,600	382,247	24.70 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	77,416	155,908	78,493	49.65 %	344,119	1,871,650	1,527,531	18.39 %
4000 - Fixed Asset Purchases	0	8,447	8,447	0.00 %	0	101,400	101,400	0.00 %
6000 - Contingencies	0	2,391	2,391	0.00 %	0	28,700	28,700	0.00 %
6500 - Reserves	0	30,908	30,908	0.00 %	0	371,050	371,050	0.00 %
Total Level1: 300 - Other Expenses:	77,416	197,654	120,238	39.17 %	344,119	2,372,800	2,028,681	14.50 %
Total Expense:	255,412	372,393	116,980	68.59 %	938,032	4,470,500	3,532,468	20.98 %
Total Revenues	315,078	372,393	-57,315	-84.61 %	340,455	4,470,500	-4,130,045	-7.62 %
Total Fund: 24 - MITIGATION FUND:	59,665	0	59,665		-597,576	0	-597,576	

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 26 - CONSERVATION FUND								
Revenue								
R120 - Property Taxes Revenues	0	20,825	-20,825	0.00 %	0	250,000	-250,000	0.00 %
R130 - User Fees	119,411	99,960	19,451	119.46 %	120,784	1,200,000	-1,079,216	10.07 %
R150 - Permit Processing Fee	22,093	14,578	7,516	151.56 %	56,464	175,000	-118,536	32.27 %
R200 - Recording Fees	3,410	500	2,910	682.27 %	8,970	6,000	2,970	149.50 %
R210 - Legal Fees	0	1,333	-1,333	0.00 %	150	16,000	-15,850	0.94 %
R220 - Copy Fee	11	0	11	0.00 %	14	0	14	0.00 %
R230 - Miscellaneous - Other	73	417	-343	17.57 %	73	5,000	-4,927	1.46 %
R240 - Insurance Refunds	1,411	0	1,411	0.00 %	1,411	0	1,411	0.00 %
R250 - Interest Income	1,147	3,332	-2,185	34.41 %	4,931	40,000	-35,069	12.33 %
R270 - CAW - Rebates	49,543	58,310	-8,768	84.96 %	78,280	700,000	-621,720	11.18 %
R320 - Grants	0	0	0	0.00 %	34,691	0	34,691	0.00 %
R500 - Capital Equipment Reserve	0	666	-666	0.00 %	0	8,000	-8,000	0.00 %
R510 - Operating Reserve	0	20,992	-20,992	0.00 %	0	252,000	-252,000	0.00 %
Total Revenue:	197,099	220,912	-23,813	-89.22 %	305,768	2,652,000	-2,346,232	11.53 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	55,893	57,494	1,601	97.22 %	130,957	690,200	559,243	18.97 %
1110 - Manager's Auto Allowance	92	125	33	73.87 %	277	1,500	1,223	18.47 %
1120 - Manager's Deferred Comp	143	200	57	71.44 %	429	2,400	1,971	17.87 %
1130 - Unemployment Compensation	0	67	67	0.00 %	188	800	612	23.50 %
1150 - Temporary Personnel	5,995	1,191	-4,804	503.26 %	18,315	14,300	-4,015	128.08 %
1160 - PERS Retirement	3,346	11,604	8,257	28.84 %	89,273	139,300	50,027	64.09 %
1170 - Medical Insurance	5,003	8,455	3,452	59.17 %	16,159	101,500	85,341	15.92 %
1180 - Medical Insurance - Retirees	2,523	1,691	-832	149.19 %	7,153	20,300	13,147	35.24 %
1190 - Workers Compensation	141	317	175	44.68 %	509	3,800	3,291	13.38 %
1200 - Life Insurance	52	83	32	62.04 %	161	1,000	839	16.06 %
1210 - Long Term Disability Insurance	209	325	116	64.43 %	638	3,900	3,262	16.37 %
1220 - Short Term Disability Insurance	41	75	34	55.21 %	127	900	773	14.06 %
1230 - Other Benefits	18	33	15	54.62 %	55	400	345	13.65 %
1260 - Employee Assistance Program	10	33	23	30.73 %	33	400	367	8.26 %
1270 - FICA Tax Expense	41	58	17	71.07 %	140	700	560	19.98 %
1280 - Medicare Tax Expense	809	858	49	94.24 %	2,223	10,300	8,077	21.58 %
1290 - Staff Development & Training	91	458	367	19.86 %	311	5,500	5,189	5.65 %
1300 - Conference Registration	305	392	86	78.01 %	305	4,700	4,395	6.50 %
1310 - Professional Dues	0	75	75	0.00 %	0	900	900	0.00 %
1320 - Personnel Recruitment	12	67	55	17.56 %	12	800	788	1.46 %
Total Level1: 100 - Personnel Costs:	74,725	83,600	8,875	89.38 %	267,263	1,003,600	736,337	26.63 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	668	733	65	91.16 %	2,256	8,800	6,544	25.63 %
2020 - Board Expenses	0	108	108	0.00 %	250	1,300	1,050	19.26 %
2040 - Rent	230	217	-14	106.24 %	690	2,600	1,910	26.55 %
2060 - Utilities	1,237	691	-546	178.94 %	2,075	8,300	6,225	25.00 %
2120 - Insurance Expense	1,520	1,408	-113	108.00 %	4,561	16,900	12,339	26.99 %
2130 - Membership Dues	3,241	1,025	-2,217	316.35 %	3,611	12,300	8,689	29.36 %
2140 - Bank Charges	221	83	-138	265.69 %	1,097	1,000	-97	109.75 %
2150 - Office Supplies	680	383	-296	177.35 %	2,610	4,600	1,990	56.74 %
2160 - Courier Expense	205	133	-72	153.72 %	422	1,600	1,178	26.37 %
2170 - Printing/Photocopy	0	8	8	0.00 %	0	100	100	0.00 %
2180 - Postage & Shipping	0	142	142	0.00 %	214	1,700	1,486	12.61 %
2190 - IT Supplies/Services	5,518	3,249	-2,269	169.86 %	18,367	39,000	20,633	47.10 %
2200 - Professional Fees	6,374	7,797	1,423	81.76 %	19,600	93,600	74,000	20.94 %
2220 - Equipment Repairs & Maintenance	0	150	150	0.00 %	593	1,800	1,207	32.97 %
2235 - Equipment Lease	472	300	-173	157.56 %	1,067	3,600	2,533	29.64 %
2240 - Telephone	166	1,066	900	15.56 %	2,954	12,800	9,846	23.08 %
2260 - Facility Maintenance	876	866	-10	101.15 %	2,690	10,400	7,710	25.87 %
2270 - Travel Expenses	265	1,141	876	23.22 %	308	13,700	13,392	2.25 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	20	317	297	6.17 %	731	3,800	3,069	19.24 %
2300 - Legal Services	9,195	4,998	-4,197	183.98 %	13,832	60,000	46,168	23.05 %
2380 - Meeting Expenses	38	125	87	30.26 %	194	1,500	1,306	12.96 %
2420 - Legal Notices	0	50	50	0.00 %	0	600	600	0.00 %
2460 - Public Outreach	188	58	-129	321.99 %	232	700	468	33.11 %
2480 - Miscellaneous	99	67	-32	147.81 %	99	800	702	12.31 %
2500 - Tax Administration Fee	0	475	475	0.00 %	0	5,700	5,700	0.00 %
2900 - Operating Supplies	1,275	1,050	-226	121.51 %	3,129	12,600	9,471	24.84 %
Total Level1: 200 - Supplies and Services:	32,489	26,639	-5,850	121.96 %	81,585	319,800	238,215	25.51 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	12,237	96,295	84,058	12.71 %	97,193	1,156,000	1,058,807	8.41 %
4000 - Fixed Asset Purchases	0	4,240	4,240	0.00 %	0	50,900	50,900	0.00 %
6000 - Contingencies	0	1,516	1,516	0.00 %	0	18,200	18,200	0.00 %
6500 - Reserves	0	8,622	8,622	0.00 %	0	103,500	103,500	0.00 %
Total Level1: 300 - Other Expenses:	12,237	110,672	98,435	11.06 %	97,193	1,328,600	1,231,407	7.32 %
Total Expense:	119,452	220,912	101,460	54.07 %	446,042	2,652,000	2,205,958	16.82 %
Total Revenues	197,099	220,912	-23,813	-89.22 %	305,768	2,652,000	-2,346,232	-11.53 %
Total Fund: 26 - CONSERVATION FUND:	77,647	0	77,647		-140,274	0	-140,274	

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 35 - WATER SUPPLY FUND								
Revenue								
R100 - Water Supply Charge	-2,376	283,220	-285,596	-0.84 %	-2,376	3,400,000	-3,402,376	-0.07 %
R120 - Property Taxes Revenues	0	149,940	-149,940	0.00 %	0	1,800,000	-1,800,000	0.00 %
R130 - User Fees	71,278	59,976	11,302	118.84 %	71,278	720,000	-648,722	9.90 %
R140 - Connection Charges	41,437	33,320	8,117	124.36 %	82,990	400,000	-317,010	20.75 %
R220 - Copy Fee	14	0	14	0.00 %	17	0	17	0.00 %
R230 - Miscellaneous - Other	93	417	-324	22.30 %	93	5,000	-4,907	1.86 %
R240 - Insurance Refunds	1,791	0	1,791	0.00 %	1,791	0	1,791	0.00 %
R250 - Interest Income	2,431	7,497	-5,066	32.42 %	7,447	90,000	-82,553	8.27 %
R260 - CAW - ASR	0	40,376	-40,376	0.00 %	0	484,700	-484,700	0.00 %
R300 - Watermaster	0	2,916	-2,916	0.00 %	0	35,000	-35,000	0.00 %
R308 - Reclamation Project	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	2,999	-2,999	0.00 %	0	36,000	-36,000	0.00 %
R500 - Capital Equipment Reserve	0	758	-758	0.00 %	0	9,100	-9,100	0.00 %
R510 - Operating Reserve	0	326,290	-326,290	0.00 %	0	3,917,050	-3,917,050	0.00 %
Total Revenue:	114,668	909,374	-794,706	-12.61 %	161,239	10,916,850	-10,755,611	1.48 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	101,469	83,075	-18,394	122.14 %	253,448	997,300	743,852	25.41 %
1110 - Manager's Auto Allowance	277	300	23	92.34 %	831	3,600	2,769	23.09 %
1120 - Manager's Deferred Comp	429	466	38	91.86 %	1,286	5,600	4,314	22.96 %
1130 - Unemployment Compensation	0	83	83	0.00 %	239	1,000	761	23.86 %
1150 - Temporary Personnel	2,236	1,516	-720	147.48 %	6,845	18,200	11,355	37.61 %
1160 - PERS Retirement	7,187	18,743	11,556	38.34 %	157,814	225,000	67,186	70.14 %
1170 - Medical Insurance	9,758	9,996	238	97.62 %	29,160	120,000	90,840	24.30 %
1180 - Medical Insurance - Retirees	3,202	2,141	-1,061	149.58 %	9,011	25,700	16,689	35.06 %
1190 - Workers Compensation	1,398	2,232	834	62.64 %	4,579	26,800	22,221	17.08 %
1200 - Life Insurance	116	150	34	77.12 %	346	1,800	1,454	19.23 %
1210 - Long Term Disability Insurance	414	433	20	95.47 %	1,221	5,200	3,979	23.47 %
1220 - Short Term Disability Insurance	82	100	18	82.28 %	242	1,200	958	20.20 %
1230 - Other Benefits	23	42	19	55.46 %	69	500	431	13.86 %
1260 - Employee Assistance Program	20	50	30	39.30 %	59	600	541	9.80 %
1270 - FICA Tax Expense	286	317	31	90.28 %	718	3,800	3,082	18.89 %
1280 - Medicare Tax Expense	1,348	1,233	-115	109.36 %	3,892	14,800	10,908	26.29 %
1290 - Staff Development & Training	116	367	251	31.51 %	493	4,400	3,907	11.21 %
1300 - Conference Registration	261	258	-2	100.96 %	261	3,100	2,839	8.41 %
1310 - Professional Dues	0	67	67	0.00 %	0	800	800	0.00 %
1320 - Personnel Recruitment	15	83	68	17.83 %	15	1,000	985	1.49 %
Total Level1: 100 - Personnel Costs:	128,635	121,651	-6,984	105.74 %	470,528	1,460,400	989,872	32.22 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	689	933	244	73.80 %	2,333	11,200	8,867	20.83 %
2020 - Board Expenses	0	142	142	0.00 %	318	1,700	1,382	18.69 %
2040 - Rent	915	825	-90	110.90 %	2,544	9,900	7,356	25.69 %
2060 - Utilities	1,601	933	-668	171.63 %	2,723	11,200	8,477	24.31 %
2120 - Insurance Expense	1,930	1,791	-139	107.75 %	5,789	21,500	15,711	26.93 %
2130 - Membership Dues	3,599	783	-2,816	459.59 %	4,068	9,400	5,332	43.27 %
2140 - Bank Charges	281	108	-173	259.40 %	1,393	1,300	-93	107.15 %
2150 - Office Supplies	372	483	111	76.97 %	735	5,800	5,065	12.67 %
2160 - Courier Expense	260	167	-93	156.09 %	536	2,000	1,464	26.78 %
2170 - Printing/Photocopy	0	17	17	0.00 %	0	200	200	0.00 %
2180 - Postage & Shipping	0	192	192	0.00 %	272	2,300	2,028	11.83 %
2190 - IT Supplies/Services	7,004	4,123	-2,880	169.86 %	23,300	49,500	26,200	47.07 %
2200 - Professional Fees	8,091	9,921	1,831	81.55 %	24,824	119,100	94,276	20.84 %
2220 - Equipment Repairs & Maintenance	0	192	192	0.00 %	678	2,300	1,622	29.49 %
2235 - Equipment Lease	600	383	-217	156.50 %	1,338	4,600	3,262	29.09 %
2240 - Telephone	81	1,441	1,360	5.60 %	3,340	17,300	13,960	19.31 %
2260 - Facility Maintenance	1,112	1,150	37	96.75 %	3,381	13,800	10,419	24.50 %
2270 - Travel Expenses	368	666	298	55.29 %	458	8,000	7,542	5.72 %

EXHIBIT 7-D

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2019-2020 Period Ending: 09/30/2019**

Level...	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	365	1,291	927	28.24 %	686	15,500	14,814	4.42 %
2300 - Legal Services	12,824	18,326	5,502	69.97 %	22,309	220,000	197,691	10.14 %
2380 - Meeting Expenses	48	175	127	27.44 %	247	2,100	1,853	11.75 %
2420 - Legal Notices	0	100	100	0.00 %	0	1,200	1,200	0.00 %
2460 - Public Outreach	258	67	-192	387.59 %	314	800	486	39.27 %
2480 - Miscellaneous	125	83	-42	150.11 %	125	1,000	875	12.50 %
2500 - Tax Administration Fee	0	708	708	0.00 %	0	8,500	8,500	0.00 %
2900 - Operating Supplies	0	175	175	0.00 %	0	2,100	2,100	0.00 %
Total Level1: 200 - Supplies and Services:	40,520	45,174	4,653	89.70 %	101,709	542,300	440,591	18.76 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	80,316	709,912	629,596	11.31 %	221,268	8,522,350	8,301,082	2.60 %
4000 - Fixed Asset Purchases	0	5,131	5,131	0.00 %	0	61,600	61,600	0.00 %
5000 - Debt Service	0	19,159	19,159	0.00 %	0	230,000	230,000	0.00 %
6000 - Contingencies	0	1,924	1,924	0.00 %	0	23,100	23,100	0.00 %
6500 - Reserves	0	6,422	6,422	0.00 %	0	77,100	77,100	0.00 %
Total Level1: 300 - Other Expenses:	80,316	742,549	662,233	10.82 %	221,268	8,914,150	8,692,882	2.48 %
Total Expense:	249,471	909,374	659,903	27.43 %	793,505	10,916,850	10,123,345	7.27 %
Total Revenues	114,668	909,374	-794,706	-12.61 %	161,239	10,916,850	-10,755,611	-1.48 %
Total Fund: 35 - WATER SUPPLY FUND:	-134,803	0	-134,803		-632,266	0	-632,266	
Report Total:	2,509	0	2,509		-1,370,116	0	-1,370,116	

EXHIBIT 7-D**Statement of Revenue Over Expense - No Decimals**

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For Fiscal: 2019-2020 Period Ending: 09/30/2019

Fund Summary

Fund	September Activity	September Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	59,665	0	59,665		-597,576	0	-597,576	
26 - CONSERVATION FUND	77,647	0	77,647		-140,274	0	-140,274	
35 - WATER SUPPLY FUND	-134,803	0	-134,803		-632,266	0	-632,266	
Report Total:	2,509	0.01	2,509		-1,370,116	0	-1,370,116	

ITEM: DISCUSSION ITEM**12. DISCUSS ADDITIONAL SERVICES RELATED TO RULE 19.8**

Meeting Date:	November 18, 2019	Budgeted:
From:	David J. Stoldt General Manager	Program/ Line Item:
Prepared By:	Arlene Tavani	Cost Estimate:

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.**

This item is presented for discussion only. No action will be taken by the Board of Directors. The General Manager will give an informational presentation. If documents are prepared for review, they will be presented at the November 18, 2019 meeting.

EXHIBITS

None

ITEM: ACTION ITEM**13. CONSIDER POLICY RE DIRECTORS' ATTENDANCE AT ACWA DC CONFERENCE****Meeting Date: November 18, 2019****Budgeted:****From: David J. Stoldt
General Manager****Program/
Line Item:****Prepared By: Arlene Tavani****Cost Estimate:****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 Association of California Water Agencies conducts an annual conference in Washington DC. The dates for the 2020 conference are February 25 through February 27. At the March 21, 2019 Legislative Advocacy Committee meeting, staff recommended that attendance could be limited to three directors and offered first to committee members. The committee requested that the proposed limit on attendance be submitted to the Board of Directors for consideration at the November or December 2019 Board meeting, prior to close of conference registration. At that time, the Board could decide if a limitation on attendance is warranted.

RECOMMENDATION: The Board of Directors should decide if a limitation on attendance at the annual ACWA Washington DC conference is warranted and, if so, determine what limitations should be established.

EXHIBITS

None

ITEM: ACTION ITEM**14. CONSIDER APPROVAL OF AMENDMENT TO AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER**

Meeting Date:	November 18, 2019	Budgeted:	N/A
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From:	David J. Stoldt, General Manager	Program/ Line Item:	N/A
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Prepared By:	David J. Stoldt	Cost Estimate:	N/A
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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: On September 16th, October 21st, and November 18th, 2019 the Board met and discussed the General Manager's annual performance appraisal. The Board was very satisfied with the General Manager's performance and noted that the General Manager continues to perform at a high level advancing the Board's goals and direction. Specific highlights included advancement of the Monterey Peninsula Water Supply Project and Pure Water Monterey groundwater replenishment project, the Measure J feasibility analysis, leveraging state and federal funding opportunities, progress with several construction projects and consulting studies, and continuing to improve the District's public perception among community groups, businesses, elected officials, and individuals.

RECOMMENDATION: Consider amending section III.A of the "Agreement for Employment of General Manager" to reflect the revised annual compensation, effective October 1, 2019. The proposed amendments to the Agreement will be submitted at the Board meeting.

EXHIBITS

None

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**15. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000****Meeting Date: November 18, 2019 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Suresh Prasad Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Administrative Committee reviewed this item on November 13, 2019.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

SUMMARY: Attached for review is **Exhibit 15-A**, monthly status report on contracts over \$25,000 for the period September 2019. This status report is provided for information only, no action is required.

EXHIBIT**15-A Status on District Open Contracts (over \$25k)**

**Monterey Peninsula Water Management District
Status on District Open Contracts (over \$25K)
For The Period September 2019**

			Prior Period			Total				P.O.
Contract	Description	Date Authorized	Contract Amount	Expended To Date	Current Period Spending	Expended To Date	Expected Completion	Current Period Activity	Number	
1	Carmel Area Wastewater District	PB Reclamation Storage Tank Rehab Project	5/20/2019	\$ 1,000,000.00	\$ -	\$ -	\$ -			PO02128
2	U.S. Bank Equipment Finance	Copier machine leasing - 60 months	7/15/2019	\$ 52,300.00	\$ -	\$ 1,817.22	\$ 1,817.22	6/30/2024	Current period and prior month billing for photocopy machine lease	PO02108
3	Monterey One Water	Supplemental EIR Costs for PWM Expansion Project	3/18/2019	\$ 750,000.00	\$ -		\$ -			PO02095
4	Monterey One Water	Pre-Construction Costs for PWM Expansion Project	11/13/2017	\$ 360,000.00	\$ 312,617.94		\$ 312,617.94			PO02094
5	Deveera Inc.	IT Managed Services	9/16/2019	\$ 46,120.00	\$ -	\$ 4,612.00	\$ 4,612.00	6/30/2020	Current period billing for IT managed services	PO02091
6	Hayashi Wayland Accountancy Group	Audit services	6/19/2017	\$ 64,500.00	\$ -	\$ 6,000.00	\$ 6,000.00	6/30/2020	Current period billing for auditing services	PO02075
7	Lynx Technologies, Inc	Geographic Information Systems contractual services	6/17/2019	\$ 35,000.00	\$ 2,400.00	\$ 3,675.00	\$ 6,075.00		Current period gis services	PO02065
8	Regional Government Services	Human Resouces contractual services	6/17/2019	\$ 70,000.00	\$ 14,466.65	\$ 4,264.90	\$ 18,731.55		Current period hr services	PO02064
9	Pueblo Water Resources, Inc.	ASR operations support	7/15/2019	\$ 70,000.00	\$ 2,470.39		\$ 2,470.39			PO02063
10	MBAS	ASR Water Quality	7/15/2019	\$ 60,000.00	\$ 7,690.00	\$ 2,443.00	\$ 10,133.00		Current period water quality samples	PO02062
11	TBC Communications & Media	Public Outreach services retainer	6/17/2019	\$ 42,000.00	\$ 10,500.00		\$ 10,500.00			PO02055
12	The Ferguson Group LLC	2019-20 - Legislative and Administrative Services	6/17/2019	\$ 100,000.00	\$ 16,185.83	\$ 8,076.81	\$ 24,262.64		Current period retainer	PO02028
13	John Arriaga	Contract for Legislative and Administrative Services - FY 19-20	6/17/2019	\$ 35,000.00	\$ 5,000.00	\$ 2,500.00	\$ 7,500.00		Current period retainer	PO02026
14	Monterey Peninsula Unified School District	MLK Broadway Project	10/15/2018	\$ 30,000.00	\$ 26,640.78		\$ 26,640.78			PO02021
15	DUDEK	Consulting Services for Prop 1 grant proposal	4/15/2019	\$ 95,600.00	\$ 35,316.60	\$ 27,606.25	\$ 62,922.85		Current period billing related to Prop 1 grant proposal	PO01986
16	Denise Duffy & Associates	Consulting Services IRWM plan update	12/17/2018	\$ 55,000.00	\$ 41,201.28	\$ 12,121.04	\$ 53,322.32		Current period billing related to IRWM plan update	PO01985
17	United States Geologic Survey	Carmel River Basin Hydrologic Model	3/18/2019	\$ 75,000.00	\$ 49,469.50	\$ 1,770.50	\$ 51,240.00		Current period billing for Carmel River hydrologic modeling work	PO01973
18	De Lay & Laredo	Rule 19.8 Investment Banking Services	1/21/2019	\$ 27,000.00	\$ -		\$ -	12/31/2019		PO01930
19	De Lay & Laredo	Rule 19.8 Investor Owned Utility Consultant	1/21/2019	\$ 88,462.00	\$ 66,486.96	\$ 7,207.50	\$ 73,694.46	12/31/2019	Current period billing related to feasibility study	PO01929
20	De Lay & Laredo	Rule 19.8 Valuation & Cost of Service Consultant	1/21/2019	\$ 321,495.00	\$ 147,243.75	\$ 15,827.50	\$ 163,071.25	12/31/2019	Current period valuation services related to feasibility study	PO01928
21	Eminent Domain Legal Services	Rule 19.8 Eminent Domain Legal Services	12/17/2018	\$ 100,000.00	\$ 87,627.40	\$ 12,337.50	\$ 99,964.90	12/31/2019	Current period eminent domain legal services related to feasibility study	PO01920
22	Pueblo Water Resources, Inc.	Design water treatment facilities ASR Santa Margarita	2/21/2019	\$ 261,445.00	\$ 210,195.32		\$ 210,195.32			PO01912
23	Colantuono, Highsmith, & Whatley, PC	Legal Services for MCWD vs PUC Matter for FY 2018-2019	7/1/2018	\$ 60,000.00	\$ 54,096.30	\$ 65.00	\$ 54,161.30	6/30/2019	Current period legal services for MCWD vs PUC matter	PO01874
24	Ecology Action of Santa Cruz	IRWM HEART Grant	4/16/2018	\$ 152,600.00	\$ 86,362.33		\$ 86,362.33			PO01824
25	McCampbell Analytical, Inc.	ASR Water Quality	11/19/2018	\$ 40,000.00	\$ 11,166.50		\$ 11,166.50	6/30/2019		PO01806

**Monterey Peninsula Water Management District
Status on District Open Contracts (over \$25K)
For The Period September 2019**

	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
26	Monterey Peninsula Engineering	ASR Backflush Basin Expansion	9/17/2018	\$ 444,765.00	\$ 440,765.00		\$ 440,765.00			PO01779
27	Pueblo Water Resources, Inc.	ASR Backflush Basin Expansion, CM services	7/16/2018	\$ 96,034.00	\$ 68,919.39		\$ 68,919.39			PO01778
28	Rural Community Assistance Corporation	IRWM DAC Needs Assessment	4/16/2018	\$ 100,000.00	\$ 61,705.57		\$ 61,705.57			PO01777
29	Zone24x7	Water Demand Database administration & maintenance services	6/18/2018	\$ 30,000.00	\$ 27,742.00		\$ 27,742.00	6/30/2019		PO01727
30	Mercer-Fraser Company	Sleepy Hollow Intake upgrade project	7/16/2018	\$ 1,802,835.00	\$ 1,578,593.37		\$ 1,578,593.37			PO01726
31	MBAS	ASR Water Quality	7/16/2018	\$ 60,000.00	\$ 22,453.75		\$ 22,453.75	6/30/2019		PO01716
32	Lynx Technologies, Inc	Geographic Information Systems contractual services	6/18/2018	\$ 35,000.00	\$ 20,475.00		\$ 20,475.00	6/30/2019		PO01703
33	Regional Government Services	Human Resouces contractual services	6/18/2018	\$ 70,000.00	\$ 44,378.20		\$ 44,378.20	6/30/2019		PO01702
34	Fort Ord Reuse Authority	ASR Backflush basin expansion project UXO support	7/16/2018	\$ 55,215.00	\$ 5,005.64		\$ 5,005.64			PO01686
35	The Ferguson Group LLC	Federal lobbyist services agreement	6/18/2018	\$ 99,500.00	\$ 96,659.54		\$ 96,659.54	6/30/2019		PO01647
36	John Arriaga	State lobbyist services agreement	6/18/2018	\$ 35,000.00	\$ 30,000.00		\$ 30,000.00	6/30/2019		PO01646
37	Pueblo Water Resources, Inc.	ASR operations support	1/24/2018	\$ 70,000.00	\$ 68,652.56		\$ 68,652.56			PO01645
38	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 24,537.50		\$ 24,537.50			PO01628
39	Big Sur Land Trust	Update of the IRWMP Plan	4/16/2018	\$ 34,000.00	\$ 12,305.67		\$ 12,305.67			PO01620
40	CSC	Annual e-recording of deed restrictions.	6/18/2018	\$ 50,000.00	\$ 49,195.00		\$ 49,195.00	6/30/2019		PO01540
41	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11		\$ 44,318.11			PO01510
42	Normandeau Associates, Inc.	Assistance with IFIM Study	11/13/2017	\$ 35,000.00	\$ 24,050.00		\$ 24,050.00			PO01509
43	Accela Inc.	Acquisition of Water Demand Database System	11/13/2017	\$ 676,377.00	\$ 668,316.08		\$ 668,316.08	6/30/2019		PO01471
44	Balance Hydrologics, Inc	Design Work for San Carlos Restoration Project	6/19/2017	\$ 51,360.00	\$ 50,894.32		\$ 50,894.32			PO01321
45	AECOM Technical Services, Inc.	Los Padres Dam Alternatives Study	1/25/2017	\$ 700,700.00	\$ 505,766.50		\$ 505,766.50			PO01268
46	Denise Duffy & Assoc. Inc.	MMRP Services for Monterey Pipeline	1/25/2017	\$ 80,000.00	\$ 73,144.06		\$ 73,144.06			PO01202
47	Goodin,MacBride,Squeri,Day,Lamprey	User Fee PUC Proceedings Legal Fee	7/1/2016	\$ 50,000.00	\$ 33,411.85		\$ 33,411.85	6/30/2019		PO01100
48	Whitson Engineers	Carmel River Thawleg Survey	9/19/2018	\$ 52,727.43	\$ 49,715.00		\$ 49,715.00			PO01076
49	HDR Engineering, Inc.	Los Padres Dam Fish Passage Study	4/18/2016	\$ 310,000.00	\$ 282,032.00		\$ 282,032.00			PO01072
50	Brown and Caldwell	Contract - No. Mo. Cnty Drought Contingency Plan	6/15/2015	\$ 435,818.00	\$ 435,791.52		\$ 435,791.52			PO01020
51	KBA Docusys - Lease Payments	Copier machine leasing - 60 months	6/30/2014	\$ 46,863.68	\$ 46,863.67		\$ 46,863.67	6/30/2019		PO00687

**Monterey Peninsula Water Management District
Status on District Open Contracts (over \$25K)
For The Period September 2019**

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
52	Sidley Austin LLP	4/20/2015	\$ 460,000.00	\$ 152,896.87		\$ 152,896.87			PO00594
53	WaterWise Consulting, Inc.	1/29/2014	\$ 75,000.00	\$ 31,660.00		\$ 31,660.00			PO00256
54	HydroPoint Data Systems, Inc.	3/17/2014	\$ 77,000.00	\$ 30,760.19		\$ 30,760.19			PO00219
55	Charles N. Atkins	2/12/2014	\$ 75,000.00	\$ 15,000.00		\$ 15,000.00			PO00170
56	Michael Hutnak	8/19/2013	\$ 56,800.00	\$ 52,780.00		\$ 52,780.00			PO00123
57	Justin Huntington	8/19/2013	\$ 59,480.00	\$ 53,918.98		\$ 53,918.98			PO00122

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS

16. STATUS REPORT ON MEASURE J/RULE 19.8 SPENDING

Meeting Date: November 18, 2019 **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 Administrative Committee reviewed this item on November 13, 2019.

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

SUMMARY: Attached for review is **Exhibit 16-A**, monthly status report on Measure J/Rule 19.8 spending for the period September 2019. This status report is provided for information only, no action is required.

EXHIBIT

16-A Status on Measure J/Rule 19.8 Spending

Monterey Peninsula Water Management District
Status on Measure J/Rule 19.8 Spending
For the Period September 2019

	Contract	Date Authorized	Contract Amount	Prior Period Spending	Current Period Spending	Total Expended To Date	Spending Remaining	Project No.
1	Eminent Domain Legal Counsel	12/17/2018	\$ 100,000.00	\$ 87,627.70	\$ 12,337.50	\$ 99,965.20	\$ 34.80	PA00002-01
2	Investment Banking Services	2/21/2019	\$ 30,000.00	\$ -		\$ -	\$ 30,000.00	PA00002-02
3	Valuation & Cost of Service Study Consulta	2/21/2019	\$ 355,000.00	\$ 147,243.75	\$ 15,827.50	\$ 163,071.25	\$ 191,928.75	PA00002-03
4	Investor Owned Utility Consultant	2/21/2019	\$ 100,000.00	\$ 66,486.96	\$ 7,207.50	\$ 73,694.46	\$ 26,305.54	PA00002-04
5	District Legal Counsel		\$ 35,000.00	\$ 24,698.61	\$ 9,065.00	\$ 33,763.61	\$ 1,236.39	PA00002-05
6	Contingency/Miscellaneous		\$ 30,000.00	\$ 9,511.41	\$ 89.22	\$ 9,600.63	\$ 20,399.37	PA00002-10
	Total		\$ 650,000.00	\$ 335,568.43	\$ 44,526.72	\$ 380,095.15	\$ 269,904.85	

ITEM: INFORMATIONAL ITEM/STAFF REPORT**17. LETTERS RECEIVED****Meeting Date:** November 18, 2019 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

A list of letters submitted to the Board of Directors or General Manager and received between October 16, 2019 and November 12, 2019 is shown below. The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's web site at www.mpwmd.net.

Author	Addressee	Date	Topic
Duncan Joseph Moore	MPWMD Board	11/11/19	Monterey Peninsula Water Supply Project
W. Robert Patterson	David J Stoldt	11/7/29	Measure J – Public Water Feasibility Assessment
Jeff Davi and John Tilley	Dayna Boccho, copy to MPWMD Board	11/5/19	Report Titled Demand and Water Supply on the Monterey Peninsula
Arlene Hardenstein	MPWMD Public Outreach Committee	10/24/19	Information on Accessory Dwelling Units

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**18. COMMITTEE REPORTS**

Meeting Date: November 18, 2019 **Budgeted:** N/A

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

Prepared By: Arlene Tavani **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.

Attached for your review as **Exhibits 18-A through 18-C**, respectively, are final minutes of the committee meetings listed below.

EXHIBIT

18-A October 14, 2019 Administrative Committee Minutes

18-B July 25, 2019 Public Outreach Committee Minutes

18-C July 11, 2019 Water Demand Committee Minutes (10/31)



EXHIBIT 18-A

FINAL MINUTES

Monterey Peninsula Water Management District Administrative Committee October 14, 2019

Call to Order

The meeting was called to order at 4:00 PM in the District Conference Room.

Committee members present: George Riley – Chair
Gary Hoffmann
Molly Evans

Committee members absent: None

Staff present: Suresh Prasad, Administrative Services Manager/Chief Financial Officer
Maureen Hamilton, Water Resources Engineer
Jonathan Lear, Water Resources Manager
Arlene Tavani, Sr. Office Specialist

Amendment to the Agenda: On a motion by Evans and second of Hoffmann, the committee voted unanimously to amend the title of agenda item 2 as shown: Consider Expenditure for the Santa Margarita Water Treatment Facility ~~Backflush Basin Expansion~~ Project Construction and Support Services. The motion was approved on a vote of 3 – 0 by Evans, Hoffmann and Riley.

Oral Communications

None

Items on Board Agenda for October 21, 2019

1. Consider Adoption of Minutes of September 9, 2019 Committee Meeting

On a motion by Evans and second by Hoffmann, the minutes of the September 9, 2019 meeting were approved on a vote of 3 – 0 by Evans, Hoffmann and Evans.

2. Consider Expenditure for the Santa Margarita Water Treatment Facility ~~Backflush Basin Expansion~~ Project Construction and Support Services

Evans made a motion that was seconded by Hoffmann to refer this item to the Board of Directors for action. The motion was approved on a vote of 3 – 0 by Evans, Hoffmann and Riley.

3. Consider Approval of Resolution 2019-16 in Support of Filing a Proposition 1 Round 1 Implementation Grant Application

Evans made a motion to recommend that the Board of Directors adopt Resolution No. 2019-16. The motion was seconded by Hoffmann and approved on a unanimous vote of 3 – 0 by Evans, Hoffmann and Riley.

4. Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2020

Hoffmann made a motion to recommend that the Board of Directors approve the agreement for an amount not-to-exceed \$15,800. The motion was seconded by Riley and approved on a vote of 3 – 0 by Hoffmann, Riley and Evans.

5. Consider Approval of Fourth Quarter Fiscal Year 2018-2019 Investment Report

Hoffmann offered a motion to recommend that the Board of Directors receive and approve the Investment Report. The motion was seconded by Riley and adopted on a vote of 3 – 0 by Hoffmann, Riley and Evans.

6. Consider Adoption of Treasurer’s Report for June 2019

On a motion by Evans and second by Hoffmann, the committee recommended the Board adopt the June 2019 Treasurer’s Report and financial statements, and ratify the disbursements made during the month. The motion was approved on a vote of 3 – 0 by Evans, Hoffmann and Riley.

7. Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2018-2019

Riley made a motion to recommend that the Board of Directors receive the Fourth Quarter Financial Activity Report. The motion was seconded by Evans and approved on a vote of 3 – 0 by Riley, Evans and Hoffmann.

8. Consider Adoption of Treasurer’s Report for July 2019

On a motion by Riley and second by Hoffmann, the committee recommended the Board of Directors adopt the July 2019 Treasurer’s Report and financial statements, and ratify the disbursements made during the month. The motion was approved on a vote of 3 – 0 by Riley, Hoffmann and Evans.

9. Consider Adoption of Treasurer’s Report for August 2019

Evans offered a motion to recommend that the Board of Directors adopt the August 2019 Treasurer’s Report and financial statements, and ratify the disbursements made during the month. The motion was second by Hoffmann and approved on a vote of 3 – 0 by Evans, Hoffmann and Riley.

10. 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.

11. Status Report on Measure J/Rule 19.8 Spending

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

Other Items

12. Review Draft October 21, 2019 Regular Board Meeting Agenda

The committee reviewed the October 14, 2019 revision of the October 21, 2019 Board meeting agenda. A correction was made to the time listed for adjournment of the closed session.

Adjournment

The meeting adjourned at 6:00 PM.



EXHIBIT 18-B

FINAL MINUTES
Monterey Peninsula Water Management District
Public Outreach Committee
July 25, 2019

Call to Order

The meeting was called to order at 4:04 pm in the Water Management District conference room.

Committee members present: Jeanne Byrne, Chair
 Molly Evans
 Alvin Edwards

District staff members present: David Stoldt, General Manager
 Stephanie Locke, Water Demand Manager
 Sara Reyes, Sr. Office Specialist

Others present: Steve Thomas, Thomas Brand Consulting

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

Action Items

1. **Consider Adoption of June 27, 2019 Committee Meeting Minutes**
On a motion of Director Evans and second by Director Edwards, the minutes of June 27, 2019 were approved as presented on a vote of 3 – 0 by Evans, Edwards and Byrne.

Discussion Items

2. **Discuss Outreach Priorities for FY 2019-2020**
 Steve Thomas gave a presentation to the committee and reviewed strategies to reach a larger group of residents through various television, radio, print, social media and internet platforms. There was consensus to support the plan presented. Mr. Thomas reported that the committee could review advertising language at its next meeting.

Adjournment

The meeting was adjourned at 4:58 pm.

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EXHIBIT 18-C

FINAL MINUTES Water Demand Committee of the Monterey Peninsula Water Management District July 11, 2019

Call to Order

The meeting was called to order at 3:00 pm in the MPWMD conference room.

Committee members present:

Alvin Edwards, Chair
Jeanne Byrne
Molly Evans

Committee members absent:

None

Staff members present:

David Stoldt, General Manager
Stephanie Locke, Water Demand Division Manager
Stephanie Kister Campbell, Conservation Analyst
Arlene Tavani, Executive Assistant

District Council present:

No

Comments from the Public:

No comments.

Action Items

1. **Consider Adoption of April 23, 2019 Committee Meeting Minutes**
On a motion by Byrne and second of Evans, the minutes were adopted on a unanimous vote of 3 – 0 by Byrne, Evans and Edwards.
2. **Provide Direction on Proposed Requirement for Installation of Water Meters for Greywater Toilet Flushing Systems**
The committee discussed this issue but reached no consensus on the number of water meters that should be required. The issue was referred to the full Board for consideration.

Discussion Items

3. **Formation of a Working Group to Review and Expand Upon District-Wide Water Conservation Strategies**
There was consensus among the committee members that there was no need to form a working group at this time. During the discussion, a director noted that the District had not established a Non-Residential Water Use Factor for "florist." Staff responded that the District will conduct An assessment of "florist" water use.

Adjournment: The meeting was adjourned at 3:40 pm.

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ITEM: INFORMATIONAL ITEM/STAFF REPORTS**19. MONTHLY ALLOCATION REPORT****Meeting Date:** November 18, 2019 **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, 2019, a total of **18.495** acre-feet (**5.4%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.923** acre-feet is available to the Jurisdictions, and **28.849** acre-feet is available as public water credits.

Exhibit 19-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in October 2019 (“changes”), and the quantities remaining. The Paralta Allocation had one debit in October 2019.

Exhibit 19-A also shows additional water available to each of the Jurisdictions and the information regarding the Community Hospital of the Monterey Peninsula (Holman Highway Facility). 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 19-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 19-C**.

EXHIBITS**19-A** Monthly Allocation Report**19-B** Monthly Entitlement Report**19-C** District’s Water Allocation Program Ordinances

EXHIBIT 19-A
MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of October 2019

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Credits	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
Airport District	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
Carmel-by-the-Sea	19.410	0.000	1.398	1.081	0.000	1.081	0.910	0.000	0.182	2.661
Del Rey Oaks	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
Monterey	76.320	0.000	0.235	50.659	0.000	0.030	38.121	0.000	2.300	2.565
Monterey County	87.710	0.000	10.717	13.080	0.000	0.352	7.827	0.000	1.775	12.844
Pacific Grove	25.770	0.000	0.000	1.410	0.000	0.022	15.874	0.000	0.075	0.097
Sand City	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
Seaside	65.450	0.157	0.948	34.438	0.000	34.438	2.693	0.000	1.144	36.530
TOTALS	342.720	0.157	18.495	101.946	0.000	35.923	90.142	0.000	28.849	83.267

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.320	0.680
Water West	12.760	0.000	9.350	3.410

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

EXHIBIT 19-B
MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of October 2019

Recycled Water Project Entitlements

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
Pebble Beach Co. ¹	221.800	0.200	30.418	191.382
Del Monte Forest Benefited Properties ² (Pursuant to Ord No. 109)	143.200	0.056	55.272	87.928
Macomber Estates	10.000	0.000	10.000	0.000
Griffin Trust	5.000	0.000	4.829	0.171
CAWD/PBCSD Project Totals	380.000	0.256	100.519	279.481

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
City of Sand City	206.000	0.000	5.053	200.947
Malpas Water Company	80.000	0.503	15.091	64.909
D.B.O. Development No. 30	13.950	0.008	1.133	12.817
City of Pacific Grove	35.990	0.138	0.291	35.699
Cypress Pacific	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 19-C

District's Water Allocation Program Ordinances

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**20. WATER CONSERVATION PROGRAM REPORT****Meeting Date:** November 18, 2019 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Kyle Smith **Cost Estimate:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** N/A

I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM

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

A. Changes of Ownership

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is compared against the properties that have submitted WCCs. Details on **102** property transfers that occurred between October 1, 2019, and October 31, 2019, were added to the database.

B. Certification

The District received **91** WCCs between October 1, 2019, and October 31, 2019. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

C. Verification

From October 1, 2019, to October 31, 2019, **81** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **81** verifications, **50** properties verified compliance by submitting certification forms and/or receipts. District staff completed **51** Site inspections. Of the **51** properties inspected, **31 (60%)** passed inspection. **None** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards.

Savings Estimate

Water savings from HET retrofits triggered by Rule 144 verified from October 1, 2019, to October 31, 2019, are estimated at **0.520** Acre-Foot annually (AFA). Water savings from retrofits that exceeded the requirement (i.e., HETs to Ultra High Efficiency Toilets) is estimated at **0.220** AFA (11 toilets). Year-to-date estimated savings from toilet retrofits is **7.320** AFA.

D. CII Compliance with Water Efficiency Standards

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are being sent notification of the requirements and a date that inspectors will be on Site to check the property. In October, District inspectors performed **four** inspections. Of the **four** inspections certified, **all** were in compliance. **None** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards; the remainder complied without a reinspection.

MPWMD is forwarding its CII inspection findings to California American Water (Cal-Am) for their verification with the Rate Best Management Practices (Rate BMPs) that are used to determine the appropriate Non-Residential rate division. Compliance with MPWMD's Rule 143 achieves Rate BMPs for indoor water uses, however, properties with landscaping must also comply with Cal-Am's outdoor Rate BMPs to avoid Division 4 (Non-Rate BMP Compliant) rates. In addition to sharing information about indoor Rate BMP compliance, MPWMD notifies Cal-Am of properties with landscaping. Cal-Am then conducts an outdoor audit to verify compliance with the Rate BMPs. During October 2019, MPWMD referred **no** properties to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

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

II. WATER DEMAND MANAGEMENT

A. Permit Processing

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 **56** Water Permits from October 1, 2019 to October 31, 2019. **Fifteen** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpas Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account.

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. All Water Permit recipients with property supplied by a California American Water Distribution System will continue to be provided with the disclaimer.

District Rule 24-3-A allows the addition of a second bathroom in an existing Single-Family Dwelling on a Single-Family Residential Site. Of the **56** Water Permits issued from October 1, 2019 to October 31, 2019, **one** was issued under this provision.

B. Permit Compliance

District staff completed **58** Water Permit final inspections during October 2019. **Thirteen** of the final inspections failed due to unpermitted fixtures. Of the **35** passing properties, **26** passed inspection on the first visit. In addition, **three** pre-inspections were conducted in response to Water Permit applications received by the District.

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 **47** Water Permits with deed restrictions.

D. Rebates

The following table summarizes Rebate activity for this month:

REBATE PROGRAM SUMMARY		October-2019			2019 YTD		1997 - Present				Last Month YTD	1997 - Present
I.	<u>Application Summary</u>											
A.	Applications Received	72			222		26,428				150	26,356
B.	Applications Approved	60			180		20,614				120	20,554
C.	Single Family Applications	57			152		23,853				95	23,796
D.	Multi-Family Applications	3			28		1,379				25	1,376
E.	Non-Residential Applications	0			0		354				0	354
II.	<u>Type of Devices Rebated</u>	Number of devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid	Year to Date Estimated AF	Last Month YTD Number	Last Month YTD Paid	Last Month YTD AF	
A.	High Efficiency Toilet (HET)	15	\$1,125.00	0.075000	24,439	62	\$4,650.00	0.31000	47	\$3,525.00	0.235000	
B.	Ultra HET	1	\$125.00	0.010000	3,259	5	\$625.00	0.05000	4	\$500.00	0.040000	
C.	Toilet Flapper	0	\$0.00	0.000000	0	1	\$6.99	0.00000	1	\$6.99	0.000000	
D.	High Efficiency Dishwasher	13	\$1,625.00	0.039000	12,708	34	\$4,500.00	0.10200	21	\$2,875.00	0.063000	
E.	High Efficiency Clothes Washer - Res	35	\$17,500.00	0.563500	183,617	94	\$46,946.20	1.51340	59	\$29,446.20	0.949900	
F.	High Efficiency Clothes Washer - Com	0	\$0.00	0.000000	0	5	\$5,000.00	0.45000	5	\$5,000.00	0.450000	
G.	Instant-Access Hot Water System	0	\$0.00	0.000000	0	1	\$200.00	0.00500	1	\$200.00	0.005000	
H.	Zero Use Urinals	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
I.	Pint Urinals	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
J.	Cisterns	0	\$0.00	0.000000	0	1	\$450.00	0.00000	1	\$450.00	0.000000	
K.	Smart Controllers	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
L.	Rotating Sprinkler Nozzles	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
M.	Moisture Sensors	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
N.	Lawn Removal & Replacement	0	\$0.00	0.000000	0	1	\$2,000.00	0.00000	1	\$2,000.00	0.000000	
O.	Graywater	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
R.	Other	0	\$0.00	0.000000	0	0	\$0.00	0.00000	0	\$0.00	0.000000	
III.	TOTALS	64	\$20,375.00	0.687500	224,023	204	\$64,378.19	2.43040	140	\$44,003.19	1.74290	
IV.	<u>TOTALS Since 1997</u>					Paid Since 1997: \$ 6,569,865		582.6 Acre-Feet Saved Since 1997				

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**21. CARMEL RIVER FISHERY REPORT FOR OCTOBER 2019****Meeting Date:** November 18, 2019 **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.

AQUATIC HABITAT AND FLOW CONDITIONS: Carmel River flows dropped slightly in October as dry, warm weather moved into the area. Steelhead rearing conditions remained good to fair for all life-stages throughout much of the watershed as water temperatures cooled.

Dry conditions prompted a 2 cfs discharge reduction from Los Padres Reservoir in late October. October's mean daily streamflow at the Sleepy Hollow Weir ranged from 17 to 13 cubic-feet-per-second (cfs) (monthly mean 15.1 cfs) resulting in 928 acre-feet (AF) of runoff. Mean daily streamflow at the Highway 1 gage ranged from 6.9 to 4.1 cfs (monthly mean 5.5 cfs) resulting in 335 acre-feet (AF) of runoff.

There were 0.00 inches of rainfall in October as recorded at the San Clemente gauge. The rainfall total for WY 2020 (which started on October 1, 2019) is 0.0 inches, or 0% of the long-term year-to-date average of 0.77 inches.

CARMEL RIVER LAGOON: The lagoon mouth was closed by Monterey County crews on July 10, 2019 by pushing beach sand across the western side of the lagoon. In October, the water surface elevation (WSE) increased to ~10.8 feet due to wave input and lower evapotranspiration of the riparian vegetation (North American Vertical Datum of 1988; NAVD 88) (See graph below).

Water quality depth-profiles were conducted at five sites on October 30, 2019 while the lagoon mouth was closed, the water surface elevation was 10.5 feet, and river inflow was 4.1 cfs. Steelhead rearing conditions improved this month and were generally "good" throughout the lagoon: salinity was <1 ppt down to 2.0 m depth, dissolved oxygen (DO) levels were higher this month ranging from 5 – 9 mg/l, and water temperatures were much cooler than last month, between 53 - 60 degrees F.

JUVENILE STEELHEAD POPULATION SURVEYS: Environmental Resources Division staff completed steelhead population surveys at 11 long-term monitoring sites between Los Padres Dam and mid-Carmel Valley (Red Rock). Additionally, District staff partnered with National Marine Fisheries Service (NMFS) and California Department of Fish and Wildlife (CDFW) staff

to complete another ~13 survey and tagging sites, including several sites in the Los Padres Wilderness above LPR.

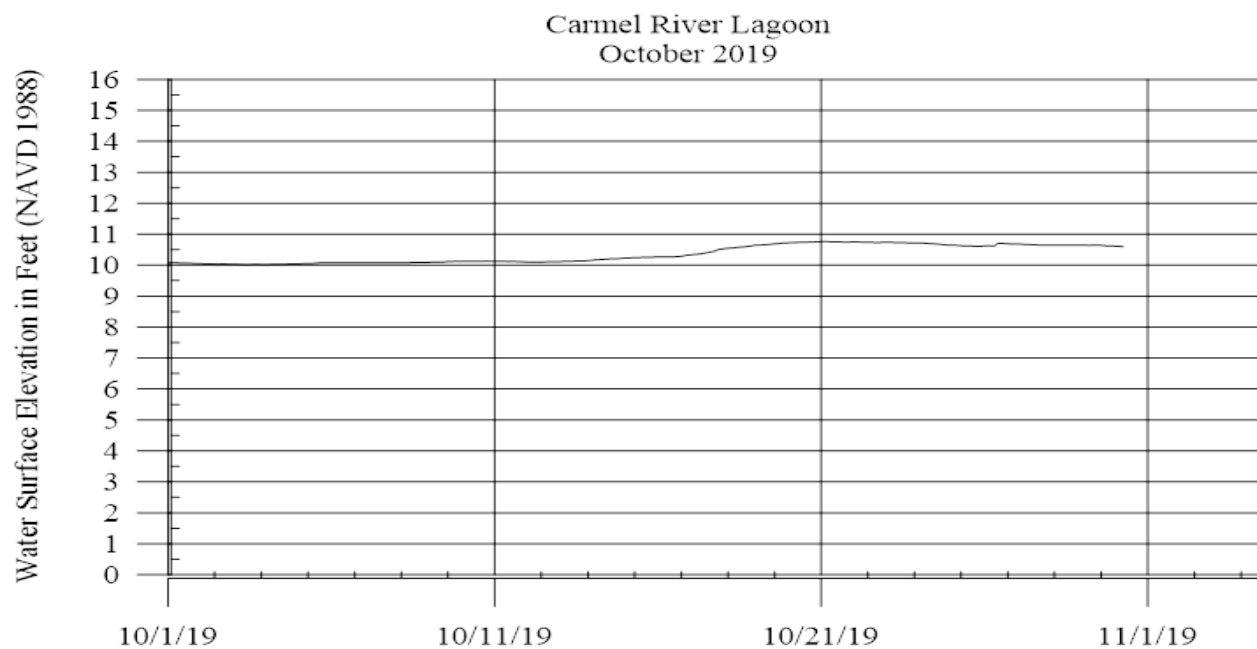
Preliminary results indicate a successful spawning and rearing season, with most sites having the greatest steelhead population numbers since before the 2012-15 drought. Over 2,000 fish larger than 65mm were tagged with Passive Integrated Transponder (PIT) tags. Tagged fish will be tracked as they migrate up or down river, providing valuable information on their behavior and life history.

SPAWNING GRAVEL ENHANCEMENT PROJECT AT LOS PADRES DAM: Natural gravel is now trapped behind the dam causing the substrate downstream to become too coarse for adult steelhead to spawn in. The 1,500 tons of spawning gravel placed by the District in 2014 was very successful in providing crucial spawning habitat in the Cachagua area. As planned, that gravel moves downstream a little further each winter and additional material needs to be placed upstream to keep the entire reach seeded. With the addition of 1,000 tons of gravel in 2019 and another 1,000 tons planned in 2020, we hope to increase the available spawning habitat and continue the upward trend in steelhead spawning success in the upper Carmel River.

In 2019, the District partnered with Cal-Am Water to complete another round of spawning gravel enhancement below Los Padres Dam. Cal-Am funded the purchase and placement of 1,000 tons of 1.5 – 4 inch river-run gravel, while the District obtained the required permits, provided the project expertise, onsite project management and reporting, as well as the required Approved Biologist for the federal permits. Permitting was completed in July 2019 and gravel was delivered over two weeks in August by Assured Aggregates of Salinas. The gravel placement was successfully completed in mid-September by Grade Break Engineering of Salinas.

This year's project continued the 26-year Spawning Gravel Enhancement Program started by the District in 1993. The District has now placed approximately 5,900 tons of gravel between Los Padres Dam and Sleepy Hollow, downstream of San Clemente Dam

While the placement of the gravel was obviously the primary goal of the project, an important side job was also completed. The 1970's (60's?) concrete fish ladder and trap located on the right bank side of the river below the LPD plunge pool was abandoned in 2005 after a new ladder was constructed on the other side of the river. Not only was it an eyesore, but the ladder blocked the natural flow of the river and partially blocked adult steelhead from reaching the newer ladder. Additional funds were pulled together for Grade Break to demolish and remove the ladder as well as some of the very large boulders that had been placed in 2003 to protect the structure. Once the new stockpiled spawning gravel moves out this winter the reach should start looking better and functioning more naturally. See the photos below of the ladder removal and gravel placement.

Carmel River Lagoon Plot:**Spawning Gravel Enhancement Photos:**

Removal of the old abandoned fish trap/ladder and boulders at Los Padres Dam as part of the spawning gravel augmentation project, September 2019.



Placing the gravel at the Los Padres Dam plunge pool. Winter river flows will move the gravel downstream into the preferred spawning habitat. September 2019.



Spawning gravel placed along the river bank below Los Padres Dam. Winter river flows will move the gravel downstream into the preferred spawning habitat. September 2019.

ITEM: INFORMATIONAL ITEMS/STAFF REPORT**22. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT****Meeting Date:** November 18, 2019 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
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.

Exhibit 22-A shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **November 1, 2019**. 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 22-A** is for Water Year (WY) 2020 and focuses on four factors: rainfall, runoff, and storage. The rainfall and Streamflow values are based on measurements in the upper Carmel River Basin at Sleepy Hollow Weir.

Water Supply Status: Rainfall through **October** 2019 totaled **0 inches** and brings the cumulative rainfall total for WY 2020 to **0 inches**, which is **0%** of the long-term average through **October**. Estimated unimpaired runoff through **October** totaled **527 acre-feet (AF)** and brings the cumulative runoff total for WY 2020 to **527 AF**, which is **133%** of the long-term average through **October**. Usable storage for the MRWPRS was **27,850 acre-feet**, which is **102%** of average through **October**, and equates to **74%** 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 8,310 AF of water from the Carmel River in WY 2020. Through **October**, using the CDO accounting method, Cal-Am has produced **509 AF** from the Carmel River (including ASR capped at 600 AF, Table 13, and Mal Paso.) In addition, under the Seaside Basin Decision, Cal-Am is allowed to produce 1,820 AF of water from the Coastal Subareas and 0 AF from the Laguna Seca Subarea of the Seaside Basin in WY 2019. Through **October**, Cal-Am has produced **369 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, and **0 AF** have been diverted under Table 13 water rights. Cal-Am has produced **921 AF** for customer use from all sources through **October**. **Exhibit 22-C** 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. The 12 month moving average of production for customer service is **9,771 AF**, which is below the rationing trigger of **10,130 AF** for WY 2020.

EXHIBITS**22-A** Water Supply Status: **November 1, 2019****22-B** Monthly Cal-Am Diversions from Carmel River and Seaside Groundwater Basins: WY 2020**22-C** Monthly Cal-Am production by source: WY 2020

EXHIBIT 22-A

**Monterey Peninsula Water Management District
Water Supply Status
November 1, 2019**

Factor	Oct 2019	Average To Date	Percent of Average	Oct 2018
Rainfall (Inches)	0	21.29	0%	0.27
Runoff (Acre-Feet)	527	396	133%	267
Storage ⁵ (Acre-Feet)	27,850	27,430	102%	26,640

Notes:

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at Sleepy Hollow Weir average 21.1 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 1922-2019 and 1902-2019 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 1989-2019 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 37,639 acre-feet.

EXHIBIT 22-B

Production vs. CDO and Adjudication to Date: WY 2020

(All values in Acre-Feet)

Year-to-Date Values	MPWRS					Water Projects and Rights		
	Carmel River Basin ^{2, 6}	Seaside Groundwater Basin		MPWRS Total				Water Projects and Rights Total
		Coastal	Laguna Seca			ASR Recovery	Table 13 ⁷	Sand City ³
Target	550	350	0	350	900	0	0	25
Actual ⁴	509	378	35	412	921	0	0	0
Difference	41	-28	-35	-62	-21	0	0	25
WY 2019 Actual	491	341	28	369	860	0	0	16

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 2020

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	Table 13	Sand City	Mal Paso	Total
Oct-19	505	412	0	0	0	4	921
Nov-19							
Dec-19							
Jan-20							
Feb-20							
Mar-20							
Apr-20							
May-20							
Jun-20							
Jul-20							
Aug-20							
Sep-20							
Total	505	412	0	0	0	4	921
WY 2019	491	369	0	0	16	8	884

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

Rationing Trigger: WY 2020

12 Month Moving Average ¹	9,771	10,130	Rule 160 Production Limit
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1. Average includes production from Carmel River, Seaside Basin, Sand City Desal, and ASR recovery produced for Customer Service.

EXHIBIT 22-C

California American Water Production by Source: Water Year 2020

	Carmel Valley Wells ¹						Seaside Wells ²						Total Wells			Sand City Desal		
	Actual		Anticipated ³		Compaired to Target		Actual		Anticipated		Compaired to Target		Actual	Anticipated	Acre-Feet Compaired to Target	Actual	Anticipated	Compaired to Target
	Upper acre-feet	Lower acre-feet	Upper acre-feet	Lower acre-feet	Upper acre-feet	Lower acre-feet	Coastal acre-feet	LagunaSeca acre-feet	Coastal acre-feet	LagunaSeca acre-feet	Coastal acre-feet	LagunaSeca acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet
Oct-19	0	505	0	550	0	45	378	35	350	0	-28	-35	918	900	-18	0	25	25
Nov-19																		
Dec-19																		
Jan-20																		
Feb-20																		
Mar-20																		
Apr-20																		
May-20																		
Jun-20																		
Jul-20																		
Aug-20																		
Sep-20																		
To Date	0	505	0	550	0	45	378	35	350	0	-28	-35	918	900	-18	0	25	25

Total Production: Water Year 2020

	Actual	Anticipated	Acre-Feet Compaired to Target
Oct-19	918	925	7
Nov-19			
Dec-19			
Jan-20			
Feb-20			
Mar-20			
Apr-20			
May-20			
Jun-20			
Jul-20			
Aug-20			
Sep-20			
To Date	918	925	7

1. Carmel Valley Wells include upper and lower valley wells. Anticipate production from this source includes monthly production volumes associated with SBO 2009-60, 20808A, and 20808C water rights. Under these water rights, water produced from the Carmel Valley wells is delivered to customers or injected into the Seaside Groundwater Basin for storage.
2. Seaside wells anticipated production is associated with pumping native Seaside Groundwater (which is regulated by the Seaside Groundwater Basin Adjudication Decision) and recovery of stored ASR water (which is prescribed in a MOA between MPWMD , Cal-Am, California Department of Fish and Game, National Marine Fisheries Service, and as regulated by 20808C water right.
3. Negative values for Acre-Feet under target indicates production over targeted value.



Supplement to 11/18/2019 MPWMD Board Packet

Attached are copies of letters received between October 16, 2019 through November 12, 2019. These letters are listed in the November 21, 2019 Board packet under Letters Received.

Author	Addressee	Date	Topic
Duncan Joseph Moore	MPWMD Board	11/11/19	Monterey Peninsula Water Supply Project
W. Robert Patterson	David J Stoldt	11/7/29	Measure J – Public Water Feasibility Assessment
Jeff Davi and John Tilley	Dayna Boccho, copy to MPWMD Board	11/5/19	Report Titled Demand and Water Supply on the Monterey Peninsula
Arlene Hardenstein	MPWMD Public Outreach Committee	10/24/19	Information on Accessory Dwelling Units

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London	Singapore
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Milan	

November 11, 2019

VIA EMAIL

Chair Stefani and Board of Directors
Monterey One Water
5 Harris Court, Building D
Monterey, California 93940

Chair Evans and Board of Directors
Monterey Peninsula Water Management District
P.O. Box 85
Monterey, California 93942-0085

Re: Monterey Peninsula Water Supply Project

On behalf of California American Water ("Cal-Am"), we write this letter to the respective Boards of Directors of Monterey One Water ("M1W") and the Monterey Peninsula Water Management District ("MPWMD") to inform you of recent material misrepresentations and omissions made by certain members of your respective staff concerning the Monterey Peninsula Water Supply Project, which are contrary to the public positions of M1W and MPWMD.¹

M1W has recently confirmed that public release of an excerpt of a draft technical memorandum concerning the Pure Water Monterey ("PWM") project was unauthorized. However, Cal-Am has become aware of additional information that appears to make the conduct of MPWMD and M1W staff even more egregious. We have learned that the released excerpt was manipulated to add information that was not part of the complete memorandum, apparently in order to bolster the claims made by MPWMD staff that an expansion of PWM would provide sufficient supplies to replace desalination. Further, a mere two days after the M1W Board adopted a resolution reiterating and confirming that any proposed expansion of PWM was being explored only as a backup to, and not a replacement for, desalination, M1W staff traveled to Sacramento to meet with Lieutenant Governor Kounalakis and conveyed, or allowed to be conveyed, the position that Expanded PWM would obviate the need for the desalination plant. Cal-Am demands that the distribution of such misinformation immediately cease, and affirmative steps be taken now to correct the record.

¹ This letter follows Cal-Am's November 3, 2019, letter to the Chair of M1W Board of Directors advising that additional delivery assurances and guarantees would be needed from M1W if desalinated water is not available and instead recycled water becomes the primary water source for Cal-Am's service territory.

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Each of these issues is addressed in more detail below.

Manipulation and Unauthorized Distribution of Purported Excerpts from a Draft Technical Memorandum

At the September 16, 2019, MPWMD Board Meeting, General Manager David Stoldt presented a memorandum he had prepared that purported to examine water supply and demand on the Monterey Peninsula (the “Stoldt Memo”). Despite the California Public Utilities Commission’s (“CPUC”) September 2018 decision finding that Cal-Am needed adequate water supplies and facilities to satisfy CPUC-determined customer demand of 14,000 acre-feet per year, Mr. Stoldt claimed that expected demand would be much lower, and that the proposed expansion of the PWM Project would be sufficient to meet this demand without desalination. The conclusions of the Stoldt Memo contradict the public position of MPWMD concerning the Water Supply Project,² and MPWMD’s Board took no action concerning the Stoldt Memo. Nevertheless, at or about the same time, the Stoldt Memo was delivered to Coastal Commission staff.

On October 15, 2019, Cal-Am provided MPWMD with a detailed response to the Stoldt Memo, noting that the memo raised claims substantially identical to those that had been raised before the CPUC and rejected, ignored existing water supply constraints, failed to comply with the requirements for determining demand under California law, and placed the Peninsula’s future water supply in jeopardy.

Mr. Stoldt responded on October 31, 2019 by letter to Cal-Am and also copying Tom Luster at the Coastal Commission and Paul Sciuto at M1W. Attached to the letter were two appendices:

- Appendix A: Pure Water Monterey Expansion and Aquifer Storage and Recovery (ASR) Resistance to Drought, Excerpt from Draft Technical Memorandum dated September 30, 2019 from Pascual Benito and Derrik Williams to Ediwn [sic] Lin, Todd Groundwater, Subject: Pure Water Monterey Expansion SEIR Groundwater Modeling Analysis (the “Excerpt”) (attached hereto as Exhibit 2);³ and
- Appendix B: MPWMD Analysis of Available Well Capacity for 10-Year Maximum Daily Demand (MDD) and Peak Hour Demand (PHD).

² Indeed, at its May 20, 2019 meeting, the MPWMD Board approved 1 and 3 Year Strategic Planning Goals, attached hereto as Exhibit 1, which include “Support commencement of the Cal-Am desalination project.”

³ Mr. Stoldt also provided a short summary response to Ian Crooks at Cal-Am by email on October 15, 2019, attaching the Excerpt, and noting, “I have also attached a summary of resilience to drought conditions as it relates to drought and ASR.” Mr. Stoldt’s October 15, 2019, email also copied Mr. Luster and Mr. Sciuto.

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Mr. Stoldt cites the Excerpt in an attempt to respond to criticism that the Stoldt Memo's supply assumptions do not comply with the legal requirement under Water Code section 10635, California Code of Regulations, title 22, section 64554, and the CPUC's General Order 103-A, that a water system's supply must be assessed in dry and multiple dry water years, and include the source's lowest anticipated daily yield. Mr. Stoldt states in his October 31 letter that the Excerpt "shows that with Pure Water Monterey expansion, the system can endure a multiple year drought," and that it "also shows the availability of ASR water based on historical climate and weather data and, in fact, shows availability during drought years."

It has now become apparent that the Excerpt did not merely provide portions of the Technical Memorandum. The final, complete Technical Memorandum has been released as Appendix D to M1W's draft Supplemental Environmental Impact Report ("SEIR"), which was made public on November 7, 2019. A comparison of the Excerpt to the Technical Memorandum shows Mr. Stoldt intentionally manipulated the Excerpt to make it appear that the Technical Memorandum's authors had reached a conclusion regarding the ability of Cal-Am's water supply system to withstand multiple years of drought with Expanded PWM but without desalination. The Technical Memorandum's authors did not make such a conclusion.

As reported by Rob Wellington, legal counsel to M1W, in his November 7, 2019 memo to the M1W Board Chair and Board Members (attached as Exhibit 3), Mr. Stoldt not only cut and pasted portions of the Technical Memorandum to create the Excerpt, he also included the following concluding sentence that was not contained in the Technical Memorandum: "This shows that the built-up reservoir of ASR in storage is sufficient to meet a 4-year drought, and likely longer, as shown beginning in 2034."

Apart from the basic facts that this manipulation was not authorized by the Technical Memorandum's authors, was made to look like their determination, and was then transmitted to the Coastal Commission to influence the Commission's consideration of the Water Supply Project, Mr. Stoldt's added conclusion sentence is improper for several additional reasons. First, the purpose of the Technical Memorandum is to evaluate the PWM Expansion's impacts on groundwater, not to evaluate PWM Expansion's ability to meet Cal-Am's annual or monthly system demands under various drought conditions. Indeed, the Technical Memorandum specifically confirms that the proposed modifications to expand the capacity of the PWM project are intended only as a back-up to the Monterey Peninsula Water Supply Project. (See Technical Memorandum, pages 1 and 3.) Second, Figure 7 in the Technical Memorandum, which Mr. Stoldt used to support his conclusion in the Excerpt, is based on several highly optimistic assumptions, including that the State Water Resources Control Board's Cease and Desist Order obligation requiring Cal-Am to reduce its Carmel River pumping is met in 2021 and that there is no drought between now and 2034. Regarding drought, such an assumption is not only speculative, it is highly unlikely since a multi-year drought has occurred in California in virtually every decade since 1917. Third, Mr. Stoldt's conclusion is based on his own unverified calculation of demand (which has not been adopted by the MPWMD Board, and is lower than the demand previously asserted by MPWMD in testimony to the CPUC), not the expected future customer demand determined through the evidentiary proceedings by the CPUC – the agency charged by statute to make utility sizing determinations.

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Unfortunately, the Coastal Commission Staff Report for the Monterey Peninsula Water Supply Project, released on October 28, 2019, relies almost solely on the Stoldt Memo and the Attachments to Mr. Stoldt's October 31, 2019 letter (including the Excerpt) to conclude that the proposed PWM Expansion could feasibly replace desalination and still meet demand, and recommends that the Coastal Commission deny a coastal development permit for the Water Supply Project. In response to Cal-Am's and the CPUC's rejection of expanded PWM as a feasible alternative to desalination due to its inability to provide sufficient supplies, especially during multiple drought years, the Coastal Commission Staff Report concludes, citing the Excerpt, that "the District has evaluated how much water would be available during multiple drought years and determined that, with the Pure Water Expansion adding water to the ASR project each year and with the current level of demand and expected increases in that demand, Cal-Am's portfolio could provide adequate water for multiple drought years (see Exhibit 10 – *Draft Technical Memorandum – Pure Water Monterey Expansion SEIR Groundwater Modeling Analysis*).” Coastal Commission staff added the Excerpt to the Coastal Commission Staff Report as Exhibit 10.⁴

We hereby demand that MPWMD correct the record with the Coastal Commission regarding these issues.

Failure to Provide Full Disclosure to the Lieutenant Governor

The M1W Board has clearly and consistently taken the position that a potential expansion of PWM was being investigated as a backup to, and not a replacement for, desalination. The M1W Board affirmed its position in adopting Resolution 2019-19 on October 28, 2019 (attached as Exhibit 4), stating that:

- “PWM Expansion was to be ‘only a backup water supply to the Cal Am desalination plant . . . in the event that the Cal Am plant becomes delayed’ with regard to meeting the Cease and Desist Order deadline of December 31, 2021, and not as a replacement to Cal-Am’s desalination project;” and
- The M1W Board’s “prior approval of proceeding with the initial environmental, permitting and design work for the potential expansion of the Pure Water Monterey

⁴ Coastal Commission staff also relied upon Appendix B to Mr. Stoldt's October 31, 2019 letter, entitled MPWMD Analysis of Available Well Capacity for 10-Year Maximum Daily Demand (MDD) and Peak Hour Demand (PHD) (“Well Capacity Analysis”). The Well Capacity Analysis also contains inaccurate data. Table 1 of the Well Capacity Analysis purports to identify the capacity of Cal-Am's supply wells, including columns for “Authorized Operations,” “Desired Operations,” and “Desired Operations Firm Capacity.” Mr. Stoldt does not cite the source for his numbers, but they appear to be substantially inflated. Nevertheless, Coastal Commission staff attached the Well Capacity Analysis as Exhibit 9 to the Coastal Commission Staff Report.

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Project was done specifically as a backup plan to, and not as an option in the place of, the Cal Am desalination project.”⁵

As expressed in our November 3, 2019 letter, we share the M1W Board’s concern with the viability of Expanded PWM if desalination is not available.

Unfortunately, it appears that M1W staff has continued to promote Expanded PWM as an alternative to replace desalination, despite these very clear statements from the M1W Board. A mere two days after Resolution 2019-19 was adopted, on October 30, 2019, M1W’s general manager traveled to Sacramento for an in-person meeting with Lieutenant Governor Kounalakis and the Lieutenant Governor’s environmental policy advisor, Matthew Dumlao, and Jonas Minton of the Planning and Conservation League. On November 7, 2019, the Coastal Commission posted an Ex Parte Communication Disclosure Form (attached as Exhibit 5), in which the Lt. Governor reported that at the meeting Mr. Minton and Mr. Sciuto explained that Expanded PWM could “provide enough water to meet the region’s needs, obviating the need for the desal plant.”

On November 8, 2019, a Corrected Ex Parte Communication Disclosure Form (attached as Exhibit 6) was posted on the Coastal Commission’s website concerning the Lieutenant Governor’s meeting with Mr. Minton and Mr. Sciuto. The corrected disclosure attributes the statement that Expanded PWM obviates the need for the desal plant to Mr. Minton, and also reports that Mr. Sciuto, representing M1W, explained what the recycled water project was, and that its expansion is feasible.

Even if Mr. Sciuto did not himself state that the desalination plant was not needed with the expansion of PWM, as M1W’s representative and in light of his Board’s resolution just two days before, his silence at the meeting in the face of statements directly contradicting his Board, and his failure to provide the Lieutenant Governor with a full and complete disclosure, is an egregious omission.

Cal-Am hereby requests that the M1W Board’s publicly adopted position, that Expanded PWM is being investigated as a back up to desalination and is not a viable replacement, be immediately communicated to the Lieutenant Governor and any other public officials Mr. Sciuto may have met with but failed to fully disclose this information.

Harm to Cal-Am from Staff Conduct

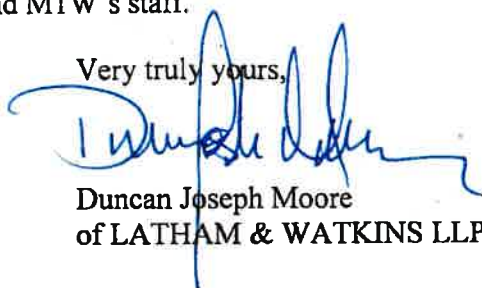
MPWMD staff’s misleading conduct and M1W staff’s continued advocacy for permitting agencies to reject the Water Supply Project in favor of Expanded PWM as a replacement to desalination, contrary to the express intent of the MPWMD and M1W Boards, has caused, and continues to cause, substantial harm to Cal-Am and its customers. As you also know, Cal-Am has provided funding in the amount of \$314,000 to M1W to enable it to proceed with

⁵ Indeed, the draft SEIR for the PWM Expansion project confirms that the project is proposed as a back-up to the MPWSP, “not as an option or alternative to the MPWSP.” (Draft SEIR, p. 2-8.)

environmental review of a potential expansion of PWM, based on M1W's representation that such potential expansion was a backup to and not a replacement for Cal-Am's CPUC-approved desalination project. While M1W was proceeding with such environmental review, Cal-Am continued and continues to incur substantial costs in moving forward with permitting and other approvals for the desalination plant.

Cal-Am has grave concerns about the activities described in this letter. Cal-Am reserves all of its rights regarding recovery of any damages incurred by it or its customers as a result of the improper actions by MPWMD's and M1W's staff.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

Attachments

cc: Rob Wellington, Esq., Wellington Law Offices (for M1W Board)
David Laredo, Esq., De Lay & Laredo (for MPWMD Board)
Tom Luster, California Coastal Commission
Jason Reiger, Esq., California Public Utilities Commission
Rich Svindland, Cal-Am

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EXHIBIT 1

Monterey Peninsula Water Management District

Strategic Goals

Adopted May 20, 2019

One-Year Goals

1. Continue to Advance Water Supply Projects

The District has made progress over the past year to secure contracts and funding for water supply projects. Continued progress would entail the following:

- With completion of construction of Pure Water Monterey; the District needs to incorporate sales to Cal-Am in its billing system, develop a water accounting process, pay for establishment of reserves, work with Monterey One Water on annual water rate setting, and monitor operations.
- Support commencement of the Cal-Am desalination project; Further develop Financing Order and timing for the “Ratepayer Relief Bonds” public contribution.
- Advance “back-up” plan in the event the desalination project is delayed – Environmental, design, and permitting for Pure Water Monterey expansion.
- Complete Santa Margarita ASR Site; Identify ASR operational issues and vulnerabilities to help optimize performance
- Address rule changes to create additional supplies in short term (reestablish District Reserve, expand use of water entitlements, ease transfers, identify unused credits, etc)

2. Complete Measure J/Rule 19.8 Feasibility Analysis

Coordinate the efforts of the District’s eminent domain attorneys, valuation and cost of service consultant, investor-owned utility consultant, investment banker and other professional to yield meaningful work product for General Manager to draft plan for compliance with Rule 19.8.

3. Continue to Raise Profile of District at Local, Regional, State, and Federal Level

- Provide leadership on water issues locally and regionally
- More interaction with local NGOs
- Continue speaking and sponsorship opportunities
- Enhance State and Federal regulators’ understanding of District role
- Pursue State and Federal funding opportunities
- Continue to track bills and provide guidance at State and Federal level
- Maintain public outreach and visibility, locally and within the industry

4. Establish Clear Requirements for Water Distribution Systems within the District

The District could benefit by more clearly stating or codifying in its Rules and Regulations its expectations and requirements from large Water Distribution Systems (WDS) within its boundaries with respect to the following:

- Reporting production and consumption and other reporting requirements
- Posting current rates and charges
- Posting other consumer-oriented information
- Rules on annexations
- Ensure District revenues appropriately collected (e.g. User Fee in Canada Woods territory; Water Supply Charge in satellite systems; Revisit Capacity Fee discount for non-Main territory)
- Summarize key conditions of existing WDS and monitor compliance; Look at methods of establishing administrative record regarding compliance; Clarify remedies/penalties for non-compliance;
- Examine compliance with water pressure requirements
- Consider aligning District Boundaries more closely to underlying systems (LAFCO process)
- Other

5. Develop Comprehensive Strategy for Permit 20808-B

The District has successfully reassigned portions of the original New Los Padres Reservoir permit 20808 to Phases 1 and 2 of ASR (20808-A and 20808-C.) However, permit conditions for each are different. The remainder permit 20808-B, without an approved extension, could be revoked by the SWRCB if water is not planned to be beneficially used by the year 2020. ASR operations are constrained by the season of diversion, points of injection and extraction, and out-of-date instream flow requirements. A strategy for the remainder permit will include:

- Identification of two to three potential new injection and recovery sites, both in the Seaside Basin and the Carmel Valley
- Possible source well rehabilitation and/or expansion in Carmel Valley; Potential treatment capacity expansion. May require EIR.
- Develop strategy for direct diversion component of water right.
- Amend existing permits and conform all permits to same standards; Working with Cal-Am and DDW, attempt to create greater operating flexibility such that any injection well can inject any water and wells can be used for both recovery and production.
- Complete a water availability analysis and an IFIM study to revise permit conditions.

6. Fiscal Sustainability and Long-Term Financial Planning

The District should examine its requirements for long-term fiscal strength, including:

- Plan for Measure J/Rule 19.8 costs and exposure

- Reserves and investments
- Strategies for funding PERS and OPEB liabilities
- Ongoing maintenance and replacement of District assets
- Discuss rebate funding if Cal-Am reduces program
- Water Supply Charge plan for sunset/suspension/reduction.
- Plan for retirement of Rabobank Loan
- Study fiscal impact of realignment of District boundaries

7. Organizational Issues

The Board may seek to direct staff to review its essential services and staffing levels, as well as succession plans. This review may include actions related to the following:

- Addition of new staff to meet changing District priorities
- Examine succession planning
- Identify needs if Measure J/Rule 19.8 feasibility is indicated
- Consider adoption of a “Sustainability Policy” for all District activities
- Tour District assets for Board members and staff
- Consider employee team-building or morale-building events each year
- Ensure appropriate staff training (customer service, CPR, confined space, etc)
- Implement revised file retention policy and email retention policy; Reduce physical files; establish searchable electronic file repository.
- Annual update of District website
- Obtain CSDA “Transparency Certificate”; Continue to achieve Government Finance Officer Association award for Comprehensive Annual Financial Report (CAFR)

Three-Year Goals

8. Measure J/Rule 19.8 Next Steps

If feasibility is indicated, prepare for bench trial on public necessity: (a) identify costs, funding plan, and risks, (b) develop clear plan of operations, (c) perform formal appraisal, (d) build findings of public necessity, and (e) diagram legal strategy.

If feasibility is not indicated, resolve remaining issues in Rule 19.8 such as: should the District revisit the issue again in the future? Or, what to do about other water distribution systems within the District? Also develop a plan to replenish reserves for costs associated with the process.

9. Establish a Long-Term Strategy for Los Padres Dam

The District is coordinating a team of consultants to look at long-term alternatives for the Los Padres Dam. Cal-Am is participating in the funding. The National Marine Fisheries Service

(NMFS) and California Department of Fish and Wildlife (CDFW) are involved in technical review. Work to date has included development of Instream Flow Incremental Method (IFIM) study to evaluate habitat from dam removal, expanded reservoir capacity, and/or changed operations, as well as creation and calibration of the Carmel River Basin Hydrologic Model to evaluate water availability under various alternatives. The team has looked at upstream fish passage feasibility and sediment management under various alternatives. NMFS has indicated a series of additional studies are desired, which may result in 2- to 3- years of additional work.

- In addition to additional scenarios of the Carmel River Basin Hydrologic Model (CRBHM), additional studies might include: (a) Comprehensive water quality monitoring and modeling, (b) Additional hydrologic simulations (e.g., historical simulations), (c) Fisheries Monitoring & Life Cycle Model Development, (d) Historical Ecology & Hydrology Assessment, (e) Upper Carmel River Habitat Assessment, and (f) Conduct a Carmel River Flood Risk Assessment
- The District will also want to review overall feasibility and cost considerations, and liability and management issues
- Is there a role for hydroelectric generation in the long-term strategy?

10. Prepare for Allocation of "New Water"

The 1990 Allocation EIR resulted in the District developing a process for the allocation of water to the jurisdictions. The process was very interactive with jurisdiction participation. The District will need to be proactive to develop fair and equitable mechanisms for allocation of new water from the Monterey Peninsula Water Supply Project to the jurisdictions.

- Meet with jurisdictions to agree on future parameters
- Update and evaluation of each jurisdiction's general plan needs; Consider allocations for special entities (e.g. Department of Defense, Montage, etc)
- Develop policy for allocation of new water; Determine CEQA requirements
- Perform initial allocation
- Clean up the District rules regarding Water Credit transfers, sales, and categories.

11. Continue to Examine Revising or Streamlining Rules and Regulations

A broad examination of what policies, rules, and regulations can be revised without an intensification of water use while the CDO remains in effect, as well as what direction policy should take for the future when the CDO is lifted.

- Changes that can support affordable housing and/or auxiliary dwelling units
- Consider change to second-bathroom protocol
- Develop credit for innovative technologies
- Options for reducing disposables/trash in Group II setting
- Examine conservation off-set program
- General clean-up

12. Carmel River Mitigation Program

Determine direction for the District's Carmel River mitigation activities as a result of removal of San Clemente Dam and the assumption that a new water supply comes on line.

- Invest in data collection to support future actions (PIT tagging, construction and staffing of a weir for fish counts, etc)
- Promote strategies for addressing the striped bass issue
- Assess Carmel Valley changes in use over time
- Secure outside funding for habitat restoration
- Develop Mitigation Program "Endgame" Plan
- What will be future Cal-Am operations?
- What will be role of Cal-Am, NMFS, CDFW, non-Cal-Am pumpers?
- How will a baseline be established?
- What data will be needed? How will it be collected? For how long?

EXHIBIT 2

Pure Water Monterey Expansion
And Aquifer Storage and Recovery (ASR)
Resistance to Drought

Excerpt from DRAFT TECHNICAL MEMORANDUM

DATE: September 30, 2019

PROJECT #: 91553.0202

TO: Ediwn Lin, Todd Groundwater

FROM: Pascual Benito and Derrik Williams

PROJECT: Pure Water Monterey

SUBJECT: Pure Water Monterey Expansion SEIR Groundwater Modeling Analysis

Predicted Hydrology Assumptions

The Seaside Basin predictive model simulates a 33-year period (Hydrometrics WRI, 2009). The hydrology (rainfall and recharge) used to calibrate the groundwater model was applied to the predictive model. To extend the hydrology through the predictive period, the 1987 through 2008 hydrology data were used to simulate model years (MY) 1 through 22, and the 1987 through 1997 hydrology data were then repeated for MY 23 through 33 (Figure 3). This is the approach that has been adopted for all predictive models of the Seaside Basin since 2009. By using this hydrology, even during the period from MY1 to present when actual hydrology is known, model runs can be compared to evaluate relative groundwater levels.

Predicted Carmel River Flow and Injection Assumptions

Monterey Peninsula Water Management District (MPWMD) estimated the amount of Carmel River water available for ASR injection for the predictive simulation based on historical streamflow records. Because the future simulated hydrology is based on the historical hydrology between 1987 and 2008, the future streamflows are expected to be the same as the historical streamflows. MPWMD staff compared historical daily streamflows between water year 1987 and water year 2008 with minimum streamflow requirements for each day. This allowed MPWMD to identify how many days in each month ASR water could be extracted from the Carmel River.

Using a daily diversion rate of 20 acre-feet per day, MPWMD calculated how many acre-feet of water from the Carmel River could be injected into the ASR system each month. The Carmel River water available for injection was divided between the ASR 1&2 Well Site and the ASR 3&4 Well Site according to the historic division of injection.

Cal-Am Water Demand

The scenarios evaluated are based on an annual demand that starts off at 10,400 acre-feet (AF) in October of MY 8 (simulated year 2020) and increases linearly to 11,325 AF through the end of MY 33 (simulated year 2045). The monthly distribution of Cal-Am's annual deliveries, provided by MPWMD, was used to estimate future monthly demand, and are based on monthly averages of deliveries from 2007 to 2017.

Cal-Am's monthly groundwater pumping from the Seaside Basin is calculated by subtracting Cal-Am's Table 13 diversion, Carmel Valley extractions for customer service, and Sand City Desal Plant supplies from the monthly demands. MPWMD supplied monthly Table 13 diversion rates, which are based on projected climate. Carmel Valley extractions for customer service and Sand City Desal Plant flowrates are constant from year to year.

Water available for Cal-Am pumping

Cal-Am's future pumping from the Seaside Basin will be drawn from three pools of water, listed in the order in which they are applied to meet monthly demand:

- Native groundwater
- PWM project water recovery
- Carmel River ASR recovery

Cal-Am's pumping is allocated to these three pools during the simulation. Pre-project values are consistent with previous model input (MY4 through 7). From future water year 2022 onward, the allotment from the three water pools is sufficient to supply the requisite pumping. This pool includes pumping for the SNG development from MY4 through 7, consistent with previous project models.

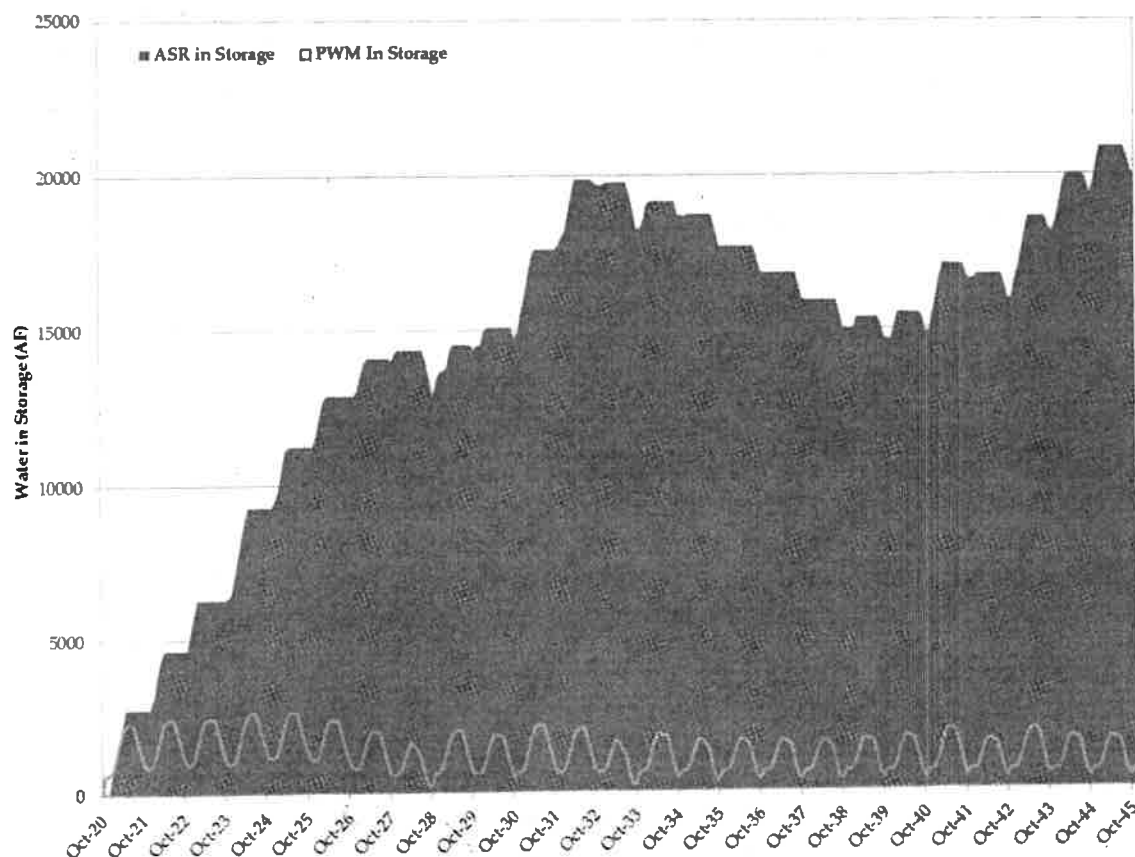
Cal-Am forgoes 700 AF of water from the native groundwater pool every year as a replenishment repayment once the CDO is met, which we assume occurs at the start of the project. Replenishment repayment is water Cal-Am must pay back to the Watermaster because Cal-Am has historically pumped more than their operating safe yield. We therefore assume that Cal-Am pumps only 774 AF/year of its assumed natural safe yield of 1,474 AF/year beginning in October 2020 (MY8). The 700 AF of natural safe yield not pumped over the 25-year period counts as in-lieu recharge, and is Cal-Am's replenishment repayment. Following demand projections from Cal-Am, we assume that native water is pumped at a constant daily rate in agreement with the annual water right.

This water is projected to become available in WY2020 (MY8) and supply between 4,750 and 5,950 AF/year, in accordance with the climate-based projected injection schedule developed by M1W and Todd Groundwater (*PWM Expansion - Model Scenarios and Inj. Well Delivery Schedule 2019-08-01.xlsx*). We assume zero PWM water in storage at the start of the project. PWM water in storage during the Project is shown by the green line on Figure 7.

Cal-Am's extraction of ASR water from the Carmel River is subject to climate conditions. Before Cal-Am has met the CDO (MY1 through 7), the maximum allowed diversion rate of Carmel River water is 20 AF/day, and no ASR water can be stored from year to year. This is consistent with previous PWM models. Once Cal-Am meets the CDO (MY8), the maximum allowed diversion rate increases to 29 AF/day, and ASR water in storage is carried over from year to year. We assume that Cal-Am injects all of

the water they are permitted to pump from the Carmel River on a monthly basis, and that ASR extraction is capped by ASR well capacity. The theoretical amount of ASR water in storage during the Project is shown by the blue area on Figure 7. The actual amount of ASR water stored during the project may be less than what is shown by the blue area on Figure 7 because some water may flow out to the ocean or to adjoining basins.

Figure 7.



This shows that the built-up reservoir of ASR in storage is sufficient to meet a 4-year drought, and likely longer, as shown beginning in 2034.

EXHIBIT 3



DEBORAH MALL
 ROBERT W. RATHIE
 GEORGE C. THACHER
 ROBERT R. WELLINGTON

857 CASS STREET, SUITE D
 MONTEREY, CALIFORNIA 93940
 TELEPHONE (831) 373-8733
 FACSIMILE (831) 373-7106
 attys@wellingtonlaw.com

November 7, 2019

Memo to: M1W Board Chair and Board Members

From: Rob Wellington, Legal Counsel

Re: How the Memo that is Exhibit 10 to the Coastal Commission Staff Report on the Cal-Am Desalination Project was Drafted from Excerpts from a Technical Memo for the PWM Expansion SEIR and Provided to the Coastal Commission

Background. At this Board's October 28th regular board meeting it was reported that the Staff Report of the Coastal Commission concerning the Cal-Am Desalination Project had just been released earlier that afternoon. On the next day General Manager Sciuto received information that Exhibit 10 to that Staff Report was a 3-page excerpt from a much longer draft Technical Memorandum prepared for the Supplemental Environmental Impact Report (SEIR) for the Pure Water Monterey (PWM) Expansion Project. In a telephone conference call on October 31st among Board Chair Stefani, General Manager Sciuto and myself, I was requested by the Board Chair to look into and report on just how that Exhibit 10 memo came to be prepared and provided to the Coastal Commission.

The SEIR. At the March 25, 2019 regular board meeting this Board authorized the funding for and proceeding with the environmental, permitting and detailed design work for the potential expansion of the Pure Water Monterey Project, as a backup plan to the Cal-Am desalination project should that project be delayed for some reason beyond the Cease and Desist Order deadline of December 31, 2021. The estimate for that SEIR and related work and the not-to-exceed amount approved was \$1,000,000. 25% of those costs were to be paid by M1W, with 75% to be paid by the Monterey Peninsula Water Management (MPWMD), M1W's partner in the PWM Project. Cal-Am then entered into a reimbursement agreement to pay its share of the SEIR costs for its own planned facilities (4 new extraction wells and a pipeline segment), with an initial contribution of \$314,300.

The Technical Memo. The SEIR being prepared for the PWM Expansion Project ("Backup Plan" – as it is referred to in most M1W documents) includes a number of technical supporting reports. One of those is a 56-page hydrogeology report from consultant Montgomery & Associates, entitled "Technical Memorandum – Subject: Expanded PWM/GWR Project SEIR; Groundwater Modeling Analysis." The first draft of that Tech Memo was received on or about October 2nd by the M1W staff persons in charge of the SEIR work for the PWM Expansion Project. Within a day or two that Tech Memo, pursuant to customary practice, was provided by M1W staff to the two MPWMD staff members (one a certified hydrogeologist) with whom they had been closely working as part of the SEIR review team, asking them to review and comment on the memo.

The Exhibit 10 Memo (the Excerpt). When General Manager Sciuto was initially advised about the Exhibit 10 Memo on October 29th that was the first time he had known about or seen this document. He immediately inquired of his staff about the matter and then sent out an email to all M1W Board Members reporting the issue and noting that it appeared that someone on the MPWMD staff had cut and pasted portions of the Tech Memo to create the 3-page Exhibit 10 Memo.

That shorter memo, which became Exhibit 10, is marked "DRAFT" and is identified to be "An Excerpt from DRAFT TECHNICAL MEMORANDUM." A comparison of the two memos shows that excerpts from pages 10 through 11 and 14 through 17 of the full Tech Memo were compiled to make up the 3-page memo. The concluding sentence of that memo - "This shows that the built-up reservoir of ASR in storage is sufficient to meet a 4-year drought, and likely longer, as shown beginning in 2034." - is not from the Tech Memo but apparently was added in separately.

Upon inquiry MPWMD General Manager Dave Stoldt advised that he was the person who had prepared the excerpted memo. He stated to me that for some time he had been receiving numerous inquiries about the adequacy of the ASR water from the Carmel River, and responding to defend claims that such water would not be available after some years of drought. He said when he saw the Tech Memo provided to his staff he was particularly impressed with the information provided and explained in figure 7 (of ASR water in storage during the PWM Project), and felt that it would be worthwhile to cut and paste from that Tech Memo to craft something like an FAQ (Frequently Asked Questions) memo to deal with responding to inquiries and claims about the ASR issue. He indicated that he did not create the excerpted memo specifically for Coastal Commission use, but upon inquiry from Commission senior staff member Tom Luster he provided him with a copy. He said he also provided copies of the memo to Jeff Davi and John Tilley, co-chairs of the Coalition of Peninsula Businesses, and to Mike DeLapa, Executive Director of LandWatch. Stoldt stated that he had never mentioned nor shown his memo to any member of the M1W staff. I did not specifically ask, but it seemed quite clear to me that General Manager Stoldt does not believe he did anything improper with what he perceived to be a document in the possession of a public agency.

Release of the SEIR. I have been advised by the M1W staff team for the SEIR that, as planned, they intend to release the SEIR for public review sometime today. That SEIR will include the Montgomery & Associates Tech Memo, identified as Appendix D, with no revisions made to any language from the first draft of that Tech Memo that were cut and pasted into the Exhibit 10 memo.

Please feel free to contact me if you have any further questions regarding the above report.

- R.R.W.

cc: General Manager Paul Sciuto

EXHIBIT 4

RESOLUTION NO. 2019-19

A RESOLUTION OF THE BOARD OF DIRECTORS OF MONTEREY ONE WATER STATING THAT ITS PRIOR APPROVAL TO PROCEED WITH THE POTENTIAL EXPANSION OF THE PURE WATER MONTEREY PROJECT WAS DONE ONLY AS A BACK- UP PLAN FOR, AND NOT AS AN ALTERNATIVE TO, CAL-AM'S DESALINATION PROJECT

WHEREAS, on March 25, 2019, at a regular M1W board meeting, this Board considered an agenda item of proceeding with the approval of the funding of preparation for environmental, permitting and detailed design work for the potential expansion of the Pure Water Monterey (PWM) Project, and pursuant to agreement M1W was and is to be reimbursed by the MPWMD and Cal-Am for their apportioned shares associated with all the potential expansion environmental, permitting and design costs; and

WHEREAS, the staff report on this matter, and the discussion of the Board Members regarding it, made it clear that the proposed PWM Expansion was to be "only a backup water supply to the Cal Am desalination plant . . . In the event that the Cal Am plant becomes delayed" with regard to meeting the Cease and Desist Order deadline of December 31, 2021, and not as a replacement to Cal-Am's desalination project; and

WHEREAS, contrary to the purpose and intent of this Board in proceeding with working on the potential expansion of the PWM Project, as stated above, there is currently substantial confusion in the community about this Board's intent; and

WHEREAS, at all times herein M1W remains in a contractual and working relationship with Cal-Am to sell 3500 acre feet of recycled/purified water to Cal-Am when the PWM Project begins production, to modify the M1W outfall, to construct a brine mixing structure, etc.; and

WHEREAS, the purpose and intent of this Resolution, therefore, is to clarify and restate, for the record, the understanding and basis upon which this Board has proceeded with looking into and working on the expansion of the PWM Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Monterey One Water that it hereby restates and reiterates that its prior approval

of proceeding with the initial environmental, permitting and design work for the potential expansion of the Pure Water Monterey Project was done specifically as a backup plan to, and not as an option in the place of, the Cal Am desalination project, and only to have a ready-to-go alternative plan in place in the event that the Cal Am desalination project is delayed beyond the Cease and Desist Order deadline of December 31, 2019.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Monterey One Water at a regular meeting duly held on October 28, 2019 by the following vote:

AYES:

NOES:

ABSENT:

Ron Stefani, Board Chair
M1W Board of Directors

ATTEST:

Paul A. Sciuto, General Manager
Secretary to Board of Directors

EXHIBIT 5

EX PARTE COMMUNICATION DISCLOSURE FORM

Filed by Commissioner: Lt. Governor Eleni Kounalakis (by Matthew Dumlao)

1) Name or description of project: Cal-Am Desalination Project in Monterey Co.

2) Date and time of receipt of communication: 10/30/2019 at 12:00-12:30

3) Location of communication: Lt. Governor's Office in Capitol Building

(If not in person, include the means of communication, e.g., telephone, e-mail, etc.)

4) Identity of person(s) initiating communication: Jonas Minton, Planning and Conservation League

5) Identity of person(s) on whose behalf communication was made: Jonas Minton, Paul Sciuto (GM, Monterey One Water)

6) Identity of persons(s) receiving communication: Lt. Governor Kounalakis, Matthew Dumlao (Environmental Policy Advisor to Lt. Governor)

7) Identity of all person(s) present during the communication: Jonas Minton, Paul Sciuto (General Manager, Monterey One Water), Lt. Governor, Matthew Dumlao

Complete, comprehensive description of communication content (attach complete set of any text or graphic material presented):

Jonas Minton and Paul Sciuto shared their concerns with CalAm's proposed desalination project in Monterey County. Mr. Minton provided an history of his involvement with water issues on the Monterey Peninsula, including his role in pushing for the cease and desist order that required CalAm to develop replacement water supplies to the Carmel River by 2021. Mr. Minton shared that his organization originally supported the project and the slant well design. However, Mr. Minton and Mr. Sciuto explained that since the project was originally proposed, an alternative water source has emerged - Pure Water Monterey - and that project could be expanded to provide enough water to meet the region's needs, obviating the need for the desal plant.

11/6/2019

Date

Signature of Commissioner

TIMING FOR FILING OF DISCLOSURE FORM: File this form with the Executive Director within seven (7) days of the ex parte communication, if the communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the communication. If the communication occurred within seven (7) days of the hearing, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication. This form may be filed with the Executive Director in addition to the oral disclosure.

RECEIVED
NOV 06 2019

EXHIBIT 6

RECEIVED
NOV 08 2019

Ex Parte Communication Disclosure Form

File by Commissioner: Matthew Dumlao

- 1) Name or description of project: Cal-Am Desalination Project in Monterey Co.
- 2) Date and time of communication: 11/8/2019 at 12:18.
- 3) Location of communication: Phone call
- 4) Identity of person(s) initiating communication: Jonas Minton, Planning and Conservation League.
- 5) Identity of person(s) on whose behalf communication was made: Jonas Minton
- 6) Identity of person(s) receiving communication: Matthew Dumlao (Environmental Policy Advisor to Lt. Governor).
- 7) Identity of all person(s) present during the communication: Jonas Minton and Matthew Dumlao

Complete, comprehensive description of communication content:

Jonas Minton called to clarify the description of a prior communication that occurred on November 6, 2019 between the Lt. Governor, Mr. Minton, Paul Sciuto and Matthew Dumlao and was reported by Matthew Dumlao. He wanted to make sure that the position of Paul Sciuto and Monterey On Water was accurately summarized. As Mr. Minton explained, Mr. Sciuto did not make the claim that expanding the recycled water project – Pure Water Monterey – would render the desal plant unnecessary. Mr. Sciuto took no position on the merits of the desal plant. Only Mr. Minton, as a representative of the Planning and Conservation League, argued that expanding Pure Water Monterey would make the desal plant unnecessary.

11/8/2019
Date

Matthew Dumlao
Signature of Commissioner

RECEIVED

NOV 08 2019

CORRECTED Ex Parte Communication Disclosure Form

File by Commissioner: Matthew Dumlao (on behalf of Lt. Governor Eleni Kounalakis)

- 1) Name or description of project: Cal-Am Desalination Project in Monterey Co.
- 2) Date and time of communication: Meeting 10/30/2019 at 12:00-12:30.
- 3) Location of communication: Lt. Governor's Office in Capitol Building
- 4) Identity of person(s) Initiating communication: Jonas Minton, Planning and Conservation League.
- 5) Identity of person(s) on whose behalf communication was made: Jonas Minton, Paul Sciuto (GM, Monterey One Water)
- 6) Identity of person(s) receiving communication: Lt. Governor Kounalakis, Matthew Dumlao (Environmental Policy Advisor to Lt. Governor).
- 7) Identity of all person(s) present during the communication: Jonas Minton, Paul Sciuto, Lt. Governor Kounalakis, and Matthew Dumlao

Complete, comprehensive description of communication content:

Jonas Minton shared the Planning and Conservation League's concerns with CalAm's proposed desalination project in Monterey County. Mr. Minton provided a history of his involvement with water issues on the Monterey Peninsula, including his role in pushing for the cease and desist order that required CalAm to develop replacement water supplies to the Carmel River by 2021. Mr. Minton shared that his organization originally supported the project and the slant well design. However, Mr. Minton explained that since the project was originally proposed, an alternative water source has emerged – a recycled water project called Pure Water Monterey – and that project could be expanded to provide enough water to meet the region's needs, obviating the need for the desal plan. Paul Sciuto, representing Monterey One Water (the agency developing the Pure Water Monterey project), explained what the recycled water project is and that expanding Pure Water Monterey was feasible.

11/6/2019 (corrected 11/8/2019)

Date



Signature of Commissioner



W. ROBERT PATTERSON & ASSOCIATES

Nov 7, 2019

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

Subject: Measure J – Public Water Feasibility Assessment

Dear Dave:

The Monterey Peninsula Water Management District (MPWMD) has provided the data and preliminary analytics to meet the challenge for the passing of Measure J. Most specifically the requirement that “the MPWMD can act if a beneficial pathway for Monterey’s future water supply is feasible.”

Exhibit 2-A “Monterey Peninsula Water Management District Preliminary Valuation and Cost of Service Analysis Report” sets forth the system data and the specifics of the Monterey Water System. It separates the Base Water System from the necessary Asset Additions and the Potential Additional Assets.

The Exhibit 2-A Report sets a strong point for furtherance of the Feasibility Assessment and the decision-making the MPWRD Board must make going forward. The Feasibility Assessment based on the comparison of Revenue Requirements offers a solid basis for comparison.

In reading the Executive Summary and the Feasibility Analysis several questions concerning the preliminary analytics not explained in the text arose:

- 1) Why is only 70% of the Monterey Pipeline and PS included in the Base Water System? On what basis is 30% of the Monterey Pipeline and PS allocated to Asset Additions?
- 2) On what basis is the Income Approach valued at 80% and the Sales Comparison at 20% in the Total Base Water System? The exclusion of the Cost Approach is explained.
- 3) What additional costs are required to complete the Desal Plant beyond the \$92,749,000 million? Are they included in the ES-2 A Revenue Requirement?

Measure J – Public Water Feasibility Assessment

- 4) And, how are they covered in the Revenue Requirement of Case B and Case C?
- 5) Further, on what basis were the Typically Monthly Water Bills calculated?

I look forward to your answers and the presentation on Nov. 12, 2019.

-----##-----

Sincerely yours,



W. Robert Patterson
Principal

WRP/sj

RECEIVED

NOV 05 2019

MPWMD

Coalition of Peninsula Businesses

A coalition to resolve the Peninsula water challenge to
comply with the CDO at a reasonable cost

Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,

Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce, Monterey County Association of Realtors, Associated General Contractors-Monterey Division, Pebble Beach Co., Community Hospital of the Monterey Peninsula

November 5, 2019

Jack Ainsworth, Executive Director
The Honorable Dayna Bochco, Chair, and Member
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

Transmitted by fax to 415-904-5400

Dear Director Ainsworth, Honorable Chair Bochco and members:

The Coalition of Peninsula Businesses represents virtually all the employers on the Monterey Peninsula and their 35,000 plus employees. It is truly the voice of the Peninsula.

The Coalition brings to your attention several facts and several troubling developments at the Monterey Peninsula Water Management District (MPWMD) that bear directly on a report from the District (*Demand and Water Supply on the Monterey Peninsula*) intrinsic to staff's recommendation to deny a Coastal Development Permit to California American Water Co. for its Monterey Peninsula Water Supply Project (MPWSP).

MPWMD General Manager David Stoldt suggested recently, without supporting evidence or discussion with the party that owns the entitlement, that a long-standing water entitlement could be reduced by 180 af. Mr. Stoldt also suggested recently, without supporting evidence or discussion with the party to be benefitted, that a special reserve created by the District could be transferred to a different not-yet-created reserve and allocated for a different purpose. Mr. Stoldt also suggested a procedure for the District to take back unused water allocations. An attorney for the State Water Resources Control Board (SWRCB) sent an e-mail to remind Mr. Stoldt and the District that such transfers are prohibited by Condition 2 of the Cease and Desist Order (CDO). Apparently, Mr. Stoldt is attempting to find a way to support his likewise unsupported and erroneous conclusion, unfortunately repeated by your staff in its denial recommendation, that a desal plant is not needed to satisfy water demand on the Peninsula.

A second unsupported contention in the Demand and Water Supply study is that an expanded Pure Water Monterey (ePWM) project will produce enough water to eliminate the need for a desal plant. Your staff concludes that this project is "well-developed and feasible." It is neither. The ePWM draft EIR is not yet released, so a long way from the end of agency and public review and comment, let alone becoming a project. Recently the agency responsible for this proposal confirmed its intent that ePWM is intended to be a back-up not a replacement for desal. It is possible the ag community in Monterey County may present substantial opposition to use of ePWM water (if and when any is produced), which is in large part derived from Salinas Basin water, to help solve the Peninsula's water needs. It is pertinent to note that the original project, Pure Water Monterey (PWM), has been delayed five times and is still not constructed, let alone capable of delivering potable water for Peninsula use or treated water for the Castroville Seawater Intrusion Project to benefit the ag community.

We attach our criticisms of the Stoldt/MPWMD "Demand and Supply" report, which has not been endorsed or adopted by MPWMD.

Our Coalition was organized almost ten years ago to build community support for development of a water supply, at the lowest possible cost, to meet the demands of the SWRCB CDO and protect the Carmel River and its environment from the ill-effects of over-pumping. The Coalition is the first-ever broad-based effort to unite virtually every residential and commercial interest on the Peninsula.

Staff's recommendation to abandon the desal plant is misguided and flawed. The Peninsula needs a safe, secure, stable, sufficient and sustainable water supply. It has needed this for almost fifty years. Elimination of the desal plant from the trio of water supply projects ignores the foundational principle of diversifying sources to assure sufficiency, stability and sustainability.

Sincerely,



Jeff Davi, Co-chair



John Tilley, Co-chair

cc: Tom Luster <tluster@coastal.ca.gov>
Steve Westhoff, State Water Resources Control Board
<steven.westhoff@waterboards.ca.gov>
Molly Evans, Monterey Peninsula Water Management District at 831-644-9560
Ron Stefani, Chair, Monterey One Water at 831-372-6178
Chris Cook, California American Water Co. <chris.cook@amwater.com>
Ian Crooks, California American Water Co. <ian.crooks@amwater.com>

Coalition of Peninsula Businesses

**A coalition to resolve the Peninsula water challenge to
comply with the CDO at a reasonable cost**

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,
Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce,
Monterey County Association of Realtors, Associated General Contractors-Monterey Division,
Pebble Beach Co., Community Hospital of the Monterey Peninsula*

September 16, 2019

The Honorable Molly Evans, Chair, and Board
Dave Stoldt, General Manager
Monterey Peninsula Water Management District
P. O. Box 85
Monterey, California 93942

Transmitted by fax to 831-644-9560

Re: Item 9-A, *Supply and Demand for Water on the Monterey Peninsula*

Dear Ms Evans, Board Members and Mr. Stoldt:

The Coalition of Peninsula Businesses finds a number of things about the report, *Supply and Demand for Water on the Monterey Peninsula*, troubling. In fact, the report appears to be a 'dressed-up' version of arguments MPWMD made to the CPUC before, and rejected by the CPUC in, its final approval of the Monterey Peninsula Water Supply Project. This report seems to constitute a 'second bite at the apple' now that the Supreme Court rejected all appeals, including MPWMD's, of the CPUC decision approving the Monterey Peninsula Water Supply Project. As a consequence, the report deservedly lacks credibility.

The 'Principal Conclusions' reached are problematic.

The first 'conclusion' contradicts a number of the CPUC findings of fact' in its decision approving the Monterey Peninsula Water Supply Project. A sampling of those contradictions follows:

- 19. PWM expansion alone fails to provide a sufficient supply ...[or] sufficient supply flexibility or reliability...;
- 25. Construction and operation of the MPWSP will allow Cal Am to meet reasonable demand..., provide a reliable and secure supply, include a reasonable "buffer" against uncertainties, and satisfy all other reasonable

needs;

- 73. There is a need for additional water supplies, over and above any water savings that can be accomplished through conservation, use of recycled water or other purchased water.

The CPUC approval was based on objective standards following CPUC General Order 103b (written into law in the California Code of Regulations at Waterworks Standards) and AWWA standards for sizing water supply projects. How do the assertions in this report meet those important standards for supply, reliability and flexibility?

The second conclusion is that either water supply option is sufficient to lift the CDO. The CDO specifies it shall remain in effect until a) Cal Am certifies, with supporting documentation, that it has obtained a permanent supply of water [to reduce Carmel River pumping to the legal limit] and b) the Deputy Director for Water Rights concurs.... Given that the supply option that does not include a desal plant does not and cannot comply with the standards mentioned above (including sufficiency, reliability, flexibility) and since the CDO is issued against Cal Am, how can the District assert with any confidence that it can secure a lifting of the CDO based on non-existent evidence of a "permanent" water supply to serve Peninsula water needs?

The fourth conclusion is that 'several factors' contribute to pressure on (sic) decreasing per capita water use. As mentioned earlier, the CPUC rejected this argument by stating in "finding of facts" point 29 that "the assertions by some parties [importantly including MPWMD] that the downward trend in water use in the District will continue ...are not convincing."

The third conclusion that the long-term Peninsula water needs may be less than thought is problematic on several levels.

- Report calculations of water needed for legal lots results in a trivial reduction in overall demand (by the way, the updated water use factors incorrectly list multi-family use at 1.2 AFA instead of .12 AFA) so are not of much concern.
- Reducing the 'tourism bounceback' needs from 500 AFA (the need used in the CPUC approval, and once agreed to by MPWMD - that helped develop that figure) without adequate discussion or documentation is unacceptable. It is also unacceptable to label this figure as due to 'tourism bounceback' as it actually represents a figure for economic recovery of all sectors of the Peninsula economy including recovery of lodging levels to prior highs. Again, this reduction was presented to the CPUC and rejected in its final approval.

- The Pebble Beach Co. entitlement to 345 AFA is a matter of law and not subject to ex post facto tinkering.

We urge the District to reject this analysis of Peninsula water demand and supply. We need a desal plant as approved by the CPUC as the only means of obtaining a sufficient, stable, secure and sustainable water supply which even an expanded Pure Water Monterey (soon to be in double default without any "transparent" explanation to the public) and drought failure-prone Aquifer Storage and Recovery will not provide.

Sincerely,



Jeff Davi, Co-chair



John Tilley, Co-chair

Coalition of Peninsula Businesses

**A coalition to resolve the Peninsula water challenge to
comply with the CDO at a reasonable cost**

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,
Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce,
Monterey County Association of Realtors, Associated General Contractors-Monterey Division,
Pebble Beach Co., Community Hospital of the Monterey Peninsula*

September 24, 2019

The Honorable Molly Evans, Chair, and Board

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

Transmitted by fax to 831-644-9560

Dear Chair Evans and Board:

The night of your recent Board meeting, MPWMD General Manager handed us a one page 'response' to our letter of concern re the 'water demand and supply' report (the report); our letter was delivered to you by fax Sunday night before your Board meeting.

Aside from the informality of the response, the responses are not satisfactory for several reasons which we explain below (the responses are shown in italics).

Response to our criticism of first Principal Conclusion in the report: Citation of CPUC Findings: We do not dispute those findings were made by the CPUC. We are simply presenting the facts about supply and demand as they exist at this time. One could assert that the CPUC knows less about local demand than the District. The CPUC did not present any findings about market absorption, nor when future demand will require new supply.

The conclusions reached by the CPUC were based on exhaustive testimony and exhibits from Cal Am, from various subject matter experts and the testimony of numerous

others (including Mr. Stoldt in 2017) with a stake in the outcome. To imply that the district knows more about local demand than the company tasked with producing water to meet local water demand is absurd; virtually everything Mr. Stoldt purports to know about local water production and use is based on information derived from Cal Am. After decades of frustration of efforts and desires of local water users to remodel, renovate, reuse and rebuild, Mr. Stoldt should be a little more receptive to the ideas about future demand and 'market absorption' expressed by those local water users, many of whom will be the source of future demand and 'market absorption.' Also missing from the analysis is any mention, or taking into account, of the new California housing mandates from a package of bills signed into law by Governor Jerry Brown in late September 2017 (an excellent recap of those bills and their requirements can be found at <sacbee.com/news/politics-government/capitol-alert/article176152771.html>).

Response to our criticism of the report's lack of objective standards in estimating demand and supply needed: *Objective Standard of CPUC General Order 103b: We believe it is intended to have said 103A. GO 103A only speaks to maximum daily demand (MDD) and peak hourly demand (PHD), and does not refer to average annual demand. Hence, there is no requirement to look back 10 years on annual demand (which if you did, is still over 1,000 AF below the current sizing assumption.) Our analysis does consider trending 10-year MDD and PHD, and asserts that the additional well capacity included in the Pure Water Expansion will be more than sufficient for a 15-16 MGD MDD. Because the trending MDD is in decline, the 10-year Max-Month was 10-years ago, so may require over 21-22 MGD MDD. Use of the Carmel River legal rights in summer months or additional well capacity would be required - still inexpensive - to meet the higher MDD values.*

Mr. Stoldt is right – we should have cited CPUC General Order 103-A. Mr. Stoldt is not correct in asserting that General Order 103-A (along with the AWWA standards we referenced but Mr. Stoldt does not mention) do not specify that sizing a water supply project to cover *maximum daily demand* and *peak hourly demand* within a ten-year period. It should be remembered that at the beginning of the MPWSP application process, Cal Am used statistics based on five-year histories and changed to using statistics based on ten-year histories because of the generally used water supply project sizing standards. Cal Am's testimony and exhibits of Richard Svindland and others filed in January 2013 are excellent sources, among others, to consult on this point.

Response to our criticism of the second Principal Conclusion that either supply option (desal or expanded PWM) would be sufficient to lift the CDO: *How can the District assert the CDO would be lifted? Both supply scenarios are "permanent." Both scenarios allow Carmel River pumping to stay below the legal rights.*

Our criticism stands as presented: the CDO cannot be lifted until our area “proves” it has a “permanent supply of water.” Aquifer storage and recovery (ASR) is far from a permanent supply. One only has to review the ASR production records of the Peninsula’s last drought – when ASR produced NOTHING - to understand the danger of relaying on ASR as a source of “permanent supply.” To include Pure Water Monterey (PWM), with its interruptible source of treatment water, is problematic. The source water is dependent on ag water uses remaining constant, which is highly unlikely in light of recent developments in ag practices and changes in technology. PWM is close to its second default in the last few months. PWM expansion is dependent on some of the same unreliable and interruptible water sources as the original plant and therefore as distant, if it is in fact built, from a “permanent supply” as the original. Any water supply project that purports to be ‘permanent’ that does not include a desal plant to provide drought-proof and reliable water production is just wishful thinking (this important concept was supported in testimony from, among others, Mr. Stoldt in 2017). To step away from desal, which seems to be the real purpose of the study, would create a serious risk that we will never see a lifting of the CDO.

Response to our questioning the fourth Principal Conclusion about contributing factors to decreased water use: *"the downward trend in water use in the District will continue" The District report does not contend this at all. The report says where do we go from here?... assuming no continued downward trend in annual use. The price elasticity and legislative action discussion underpins the District claim that water use per person is not likely to increase.*

We did not contend that the report predicted continued decreases in water use; we did point out that the CPUC rejected this argument as “not convincing.” To conclude water use per person will not rebound (that is, increase) as it has throughout California after the severe state drought restrictions were lifted is to ignore recent history and human nature.

In addition, when thinking about water demand and ‘market absorption’ please see our comment above on the new California housing mandate – for housing for workers and middle management.

Response to our comments on the third Principal Conclusion (that long-term water supply needs may be less than thought): *Legal lots of record: The point is the sum of several "trivial" reassessed assumptions can be significant. Tourism Bounceback: This figure was labeled 'tourism bounceback' by Cal-Am in its April 14, 2016 and September 27, 2017 testimony and tied to tourism*

occupancy rates in their April 23, 2012 and January 11, 2013 testimony.

The comment that the “sum of several trivial assessments can be significant” will be addressed later.

Mr. Stoldt spent a lot of time on occupancy statistics (STRS reports, etc.) to reach the conclusion that the amount of water labeled ‘tourism bounceback’ is overstated even though it is part of the final CPUC approval and even though the district earlier on agreed with that number and later unsuccessfully tried to convince the CPUC it should be reduced.

Mr. Stoldt’s conclusion that the bounceback has already occurred is wrong and a few simple conversations with hospitality industry professionals would have shown him otherwise.

The occupancy statistics relied on are county-wide, not specific to the Peninsula. Further, those statistics do not differentiate between full-service establishments and others. The 500 afa of supply was intended to include not just the return to prior levels of occupancy on the Peninsula (full-service facilities, for instance, were at occupancy levels in the high 70s to low and mid-80s during 1998-99-2000) but water use increases as the rest of the Peninsula economy recovers (see Svindland testimony of January 11, 2013).

The events of 9-11-01 hurt the industry but the recent recession hurt the industry much more and has had a much more lasting effect. The lodging industry is still struggling to achieve occupancy levels in the high 70s and low 80s. As the Peninsula’s principal driver of economic activity, all other economic activity - and therefore water use - will increase as the lodging industry achieves its goal. Also ignored in this analysis is the fact that several new lodging facilities will be built in the next couple of years. The Peninsula should be a world-class travel destination; it should not be stuck, as it has been for years, with a third-rate water supply.

Returning to the ‘sum of trivial reassessments can be significant:’ it seems to the Coalition that this *Supply and Demand for Water* report is created to accomplish one thing: tinkering at the margins to reassert failed arguments about the nature and extent of long-term water demand and persuade everyone to abandon the desal plant. Abandoning the desal might (but likely would not) make the purchase of Cal Am more affordable or feasible and make it imperative to embrace the construction of expanded PWM with a guaranteed source of purchase for the produced water, without which

construction of the expansion cannot take place.

Mr. Stoldt may be forgetting the decades-long struggle of the Peninsula to achieve a long-term, safe, sustainable, secure, sufficient water supply. With such a supply now in sight, he has unfortunately slipped in to an all-too-familiar train of thought that has derailed local water supply efforts for over almost fifty years. The Peninsula's long-term water supply needs may not be less than thought. If the report is successful in persuading the Peninsula to abandon the desal plant, we will be stuck in our current condition of water poverty for the foreseeable future.

Please reject this report and its unsupportable conclusions and please do not allow it to become an issue at the November California Coastal Commission Monterey Peninsula Water Supply Project Coastal Development Permit hearings.

Sincerely,



Jeff Davi, Co-chair



John Tilley, Co-chair

cc: MPWMD General Manager Dave Stodt

Summary of Key Provisions of SB 13 / AB 68 / AB 670 / AB 881

Reduced Costs and Burdens for Developing ADUs

- Cities must approve ADU applications within 60 days, without a hearing or discretionary review.¹
- For ADUs permitted by 2025, cities cannot require the owner to live at the property.²
- Cities cannot charge any impact fees for ADUs under 750 sqft; fees for larger ADUs are limited.³
- Homeowners associations must allow the construction of ADUs.⁴
- ADUs can be developed at the same time as a primary unit, under most of the same rules.⁵
- A city must delay code enforcement against an existing unlawful ADU to allow it to be legalized.⁶

ADUs Subject to Automatic Approval — No Local Limits

Cities must permit certain categories of ADU without applying any local development standards (e.g., limits on lot size, unit size, parking, height, setbacks, landscaping, or aesthetics), if proposed on a lot developed with one single-family home.⁷ ADUs eligible for this automatic approval include:

- An ADU converted from existing space in the home or another structure (e.g., a garage), so long as the ADU can be accessed from the exterior and has setbacks sufficient for fire safety.⁸
- A new detached ADU that is no larger than 800 sqft, has a maximum height of 16 feet, and has rear and side setbacks of 4 feet.⁹
- Both of the above options (creating two ADUs), if the converted ADU is smaller than 500 sqft.¹⁰

ADUs Subject to Ministerial Approval — Minimal Local Limits

Even if not subject to automatic approval, a city generally must approve any attached or detached ADU under 1,200 sqft unless the city adopts a new ADU ordinance setting local development standards for ADUs.¹¹ If a city adopts such an ordinance, it must abide by the following restrictions:

- No minimum lot size requirements.¹²
- No maximum unit size limit under 850 sqft (or 1,000 sqft for a two-bedroom ADU).¹³
- No required replacement parking when a parking garage is converted into an ADU.¹⁴
- No required parking for an ADU created through the conversion of existing space or located within a half-mile walking distance of a bus stop or transit station.¹⁵
- If the city imposes a floor area ratio limitation or similar rule, the limit must be designed to allow the development of at least one 800 sqft attached or detached ADU on every lot.¹⁶

Adding Units to Multifamily Properties

The new laws allow units to be added to multifamily buildings. Cities must permit these types of units in multifamily buildings without applying any local development standards:

- New units within the existing non-living space of a building (e.g., storage rooms, basements, or garages). At least one unit and up to ¼ of the existing unit count may be created this way.¹⁷
- Two new homes on the same lot as the multifamily building but detached from it, with 4-foot side and rear setbacks and a 16-foot maximum height.¹⁸

Unless otherwise noted, references are to Gov. Code § 65852.2 as amended in Section 1.5 of AB 881, Stats. 2019 c. 659. ¹ § 65852.2(a)(3). ² § 65852.2(a)(6). ³ § 65852.2(f)(3)(A). ⁴ AB 670, Stats. 2019 c. 178. ⁵ §§ 65852.2(a)(3); (j)(1); (j)(9). ⁶ § 65852.2(n). ⁷ § 65852.2(e)(1). ⁸ § 65852.2(e)(1)(A). ⁹ § 65852.2(e)(1)(B). ¹⁰ § 65852.2(e)(1)(B); AB 68 (Ting), Stats. 2019 c. 655 § 2 (amending Gov. Code § 65852.22(h)(1)). ¹¹ § 65852.2(a)(4). ¹² § 65852.2(a)(1)(B)(i). ¹³ § 65852.2(c)(2)(B). ¹⁴ § 65852.2(a)(1)(D)(xi). ¹⁵ §§ 65852.2(d)(1), (d)(3), (j)(10). ¹⁶ § 65852.2(c)(2)(C). ¹⁷ § 65852.2(e)(1)(C). ¹⁸ § 65852.2(e)(1)(D).