

This meeting has been noticed according to the Brown Act rules. The Board of Directors meets regularly on the third Monday of each month, except in January and February. The meetings begin at 6:00 PM, unless otherwise noted.



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

Monday, October 17, 2022 at 5:00 p.m. | Virtual Meeting

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

Join the meeting at this link:

<https://mpwmd-net.zoom.us/j/88403475268?pwd=TlBRZzh5clYzSF12ckVQRUNxeXU5UT09>

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

Webinar ID: 884 0347 5268

Passcode: 10172022

Participate by phone: (669) 900-9128

For detailed instructions on how to connect to the meeting, please see page 4 of this agenda.

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

Staff notes will be available on the District web site at

<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>
by 5:00 P.M. on Friday, October 14, 2022

CLOSED SESSION AT 5:00 P.M.

CALL TO ORDER / ROLL CALL

ADDITIONS AND CORRECTIONS ON THE CLOSED SESSION AGENDA BY DISTRICT

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

Board of Directors

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

General Manager

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G, Monterey, California on Thursday, October 13, 2022. After staff reports have been posted and distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be posted on the District website. Documents distributed on the afternoon of the meeting will be available upon request, and posted to the web within five days of adjournment of the meeting. The next scheduled meeting of the MPWMD Board of Directors will be on Monday, November 14, 2022.

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

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

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

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

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

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

CONVENE TO CLOSED SESSION

RECONVENE TO REGULAR SESSION | 6:00 P.M.

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS AND CORRECTIONS TO THE AGENDA - *The General Manager will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.*

ORAL COMMUNICATIONS – *Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.*

CONSENT CALENDAR - *The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes. Unless noted with double asterisks “**”, Consent Calendar items do not constitute a project as defined by CEQA Guidelines section 15378.*

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

GENERAL MANAGER'S REPORT

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

REPORT FROM DISTRICT COUNSEL

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

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

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

7. Consider Adoption of Resolution No. 2022-30: A Resolution of the Board of Directors Authorizing the Application, Acceptance, and Execution with the California State Water Resources Control Board for Deep Injection Well No. 6 of the Expansion of the Pure Water Monterey Project

Recommended Action: *The Board will consider adoption of Resolution No. 2022 – 30 and direct staff to submit an application to the State Water Resources Control Board.*

8. Consider Adoption of Resolution No. 2022-31: A Resolution of the Board of Directors Confirming District Permit Authority Associated with Receipt of Desal Plant Product Water into the Cal-Am Water Distribution System

Recommended Action: *The Board will consider adopting Resolution No. 2022-31 and direct staff to notify Cal-Am and others of permit requirements applicable to importation and use of desal water into the Cal-Am Water Distribution System.*

INFORMATIONAL ITEMS/STAFF REPORTS - *The public may address the Board on Information Items and Staff Reports during the Oral Communications portion of the meeting. Please limit your comments to three minutes.*

9. Letters Received and Sent Supplemental Letter Packet
10. Committee Reports
11. Monthly Allocation Report
12. Water Conservation Program Report
13. Carmel River Fishery Report for September 2022
14. Monthly Water Supply and California American Water Production Report
[Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources]
15. Quarterly Carmel River Riparian Corridor Management Program Report
16. Quarterly Water Use Credit Transfer Status Report

ADJOURNMENT

Board Meeting Schedule			
Monday, November 14, 2022	Regular Meeting	6:00 p.m.	Virtual – Zoom
Monday, December 12, 2022	Regular Meeting	6:00 p.m.	Virtual – Zoom
Thursday, January 26, 2022	Regular Meeting	6:00 p.m.	Virtual – Zoom

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

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests by noon on Friday, October 14, 2022 to joel@mpwmd.net, or at (831) 658-5652. You may reach out to Sara Reyes, Admin Services Division at (831) 658-5610 or at sara@mpwmd.net.

Instructions for Connecting to the **Zoom Meeting**

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

Begin: Within 10 minutes of the meeting start time from your computer click on this link: <https://mpwmd-net.zoom.us/j/88403475268?pwd=TIBRZzh5clYzSF12ckVQRUNxeXU5UT09> or copy / paste the link into your browser.

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

USING A DESKTOP COMPUTER OR LAPTOP

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

COMPUTER AUDIO

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

PHONE CALL

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

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. Once connected, it will ask you to enter the Webinar ID No. and press the pound key
4. It will then ask you to enter your participant ID number and press the pound key.
5. You are now connected to the meeting.

USING AN APPLE/ANDROID MOBILE DEVICE OR SMART PHONE

1. Download the Zoom application through the Apple Store or Google Play Store (the application is free).
2. Once download is complete, open the Zoom app.
3. Tap “Join a Meeting”
4. Enter the Meeting ID number
5. Enter your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
6. Tap “Join Meeting”
7. Tap “Join Audio” on the bottom left-hand corner of your device
8. You may select either ONE of two options: “Call via Device Audio” or “Dial in”

DIAL IN

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

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. The phone will automatically dial the number, and input the Webinar Meeting ID No. and your Password.
4. Do not hang up the call, and return to the Zoom app
5. You are now connected to the meeting.

Presenting Public Comment

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

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

Submit Written Comments

If you are unable to participate via telephone or computer to present oral comments, you may also submit your comments by e-mailing them to comments@mpwmd.net with one of the following subject lines "PUBLIC COMMENT ITEM #" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS". Comments must be received by 12:00 p.m. on Monday, October 17, 2022. Comments submitted by noon will be provided to the Board of Directors and compiled as part of the record of the meeting.

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ITEM: CONSENT CALENDAR**1. CONSIDER ADOPTION OF MINUTES OF THE REGULAR BOARD MEETING ON MONDAY, SEPTEMBER 19, 2022 AND THE SPECIAL BOARD MEETING ON MONDAY, OCTOBER 10, 2022****Meeting Date:** October 17, 2022**Budgeted:** N/A**From:** David J. Stoldt,
 General Manager**Program/** N/A
Line Item No.:**Prepared By:** Joel G. Pablo**Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: The Board will review, provide suggested edits, and consider approval of the draft meeting minutes of the MPWMD Board of Director's Regular Board Meeting on Monday, September 19, 2022 and Special Board Meeting on Monday, October 10, 2022. The draft minutes are attached as **Exhibit 1-A** and **1-B** to the staff report.

RECOMMENDATION: The Board will consider approval of the draft minutes of the MPWMD Board of Director's Regular Board Meeting on Monday, September 19, 2022 and Special Board Meeting on Monday, October 10, 2022.

EXHIBIT**1-A** MPWMD Board of Director's Regular Meeting on Monday, September 19, 2022**1-B** MPWMD Board of Director's Special Meeting on Monday, October 10, 2022



EXHIBIT 1-A

**Draft Minutes
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
Monday, September 19, 2022**

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

REGULAR SESSION

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

CALL TO ORDER

Directors Present via Zoom:

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

ROLL CALL

Directors Absent: None

General Manager Present: David J. Stoldt

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

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

David J. Stoldt, General Manager (GM) informed the Board
Item No. 15 will be heard in advance of Item No. 14.

ADDITIONS AND CORRECTIONS TO THE AGENDA

Joel G. Pablo, Board Clerk announced the following
corrections to the agenda and agenda meeting packet:

Under Action Item

Item No. 19 a revised Exhibit 19-B (*Proposed
Organizational Chart*) was submitted.

Item No. 21, a revised Exhibit 21-B (*Proposed
Organizational Chart*) was submitted

*The Board acknowledged the stated changes to the meeting
agenda and agenda meeting packet. No further additions
and corrections to the published agenda were made.*

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

- (a) Susan Schiavone: Informed the board of her outreach efforts engaging with community members in Seaside regarding various water issues and shared that in speaking with these same individuals many are unaware of the water issues facing the Peninsula. She expressed concerned over the one-sided messaging and narratives being received by customers of California American Water through their online public outreach campaigns.

No further comments were directed to the Board.

Chair Paull provided introductory remarks. Paull acknowledged Director Edwards request to pull Item No. 8 from the Consent Calendar. *No further requests from the Board and the public were made to pull items from the Consent Calendar for further discussion.*

A motion was offered by Director Anderson with a second by Director Adams to approve Consent Calendar Item 1 through 7. The motion passed on a roll-call vote of 7-Ayes (Paull, Adams, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 0-Absent.

Director Edwards requested staff to provide a brief overview of Item No. 8.

Stephanie Locke, Water Demand Manager presented via MS PowerPoint Presentation entitled “Consider Grant Funding for Mobile Direct Recirculating Apparatus Firefighting Training and Sustainability (DRAFTS) unit.” *A copy of the presentation is available at the District office and can be found on the District website.* Locke displayed an image of the D.R.A.F.T.S. Unit explaining approval of the matter would allow for a reduction in water waste in conjunction with firefighter training conducted at Monterey Peninsula College and the Monterey County Fire Training Officer’s Association, recommended board approval of the matter, and answered board questions.

In response to a question raised by Director Edwards, Greg Greenlee, Faculty Member with Monterey Peninsula College mentioned the DRAFTS unit can be used to test fire engines, annual service testing and normal fire-flow training. He commented the unit will be used county-wide through the College and the Association. Greenlee added further financial mechanisms will include funding from other local public water agencies, the Monterey County Fire Training Officer’s Association and are considering other viable funding opportunities and agreements with the Cities.

ORAL COMMUNICATIONS

CONSENT CALENDAR

Gaudenz Panholzer, Monterey Fire Chief expressed support for the grant. He added the benefits in purchasing the unit would include having a positive environmental impact by conserving water, annual pump testing and preventing runoff from trainings conducted.

Director Edwards thanked District Staff and the Fire Chiefs for bringing the matter forward and to the Board's attention.

No comments were directed to the Board on Item No. 8.

A motion was offered by Director Edwards with a second by Director Anderson to approve Item No. 8. The motion passed on a roll-call vote of 7-Ayes (Paull, Adams, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 0-Absent.

Approved the MPWMD Board of Director's Special and Regular Board Meeting on August 15, 2022

Adopted Resolution No. 2022 – 24 authorizing remote teleconference meetings of all District legislative bodies for the following 30 days in accord with the Ralph M. Brown Act and AB 361 (Rivas).

Approved the Fourth Quarter Fiscal Year 2021-2022 Investment Report.

Adopted the June 2022 Treasurer's Report and financial statements, and ratification of the disbursements made during the month.

Received and Filed Fourth Quarter Financial Activity Report For Fiscal Year 2021-2022

Adopted Resolution No. 2022-27

Declared the items listed on Exhibit 7-A as surplus assets to be either donated or disposed at the Monterey Regional Waste Management District.

Approved the commitment of a grant of \$25,000 for the Pump Pod (DRAFTS) purchase by Monterey Peninsula College and the Monterey County Fire Training Officer's Association, conditioned on other funding sources being secured and the purchase occurring within the current

1. **Consider Adoption of Minutes of the Regular Board Meeting on August 15, 2022**
2. **Consider Adopting Draft Resolution No. 2022-24 Authorizing Remote Teleconferencing Meetings of All District Legislative Bodies for the Following 30 Days In Accord With The Ralph M. Brown Act And AB 361 (Rivas)**
3. **Consider Approval of Fourth Quarter Fiscal Year 2021-2022 Investment Report**
4. **Consider Adoption of Treasurer's Report for June 2022**
5. **Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2021-2022**
6. **Consider Adoption of Resolution No. 2022-27 Amending Table 2: Non-Residential Water Use Factors**
7. **Declaration of Surplus Assets**
8. **Consider Grant Funding for Mobile Direct Recirculating Apparatus Firefighting Training and Sustainability (Drafts) Unit**

District fiscal year.

GENERAL MANAGER'S REPORT

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

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

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

1. Monterey Peninsula Water Resources System (MPWRS) for the period covering October through August 2022 of the Water Year: (a) Total targets for the *MPWRS* have not been actualized for the year [Actual: 5,234 Acre Fee (AF); Target: 6,127 AF]; (b) The *Seaside Groundwater Basin* adjudication compliance exceed targets [Actual: 1,427 AF; Target: 850]; and (c) The *Carmel River Basin* consisting of Aquifer Storage and Recover (ASR), Mal Paso and Table 13 diversions targets have not been met [Actual: 3,808; Target: 5,277].

2. Water Projects and Rights for the period covering October through August 2022 of the Water Year: (a) On ASR, 1,300 AF remains since December 2021 with 0 AF reporting; (b) Pure Water Monterey (PWM) is on track to meet its contractual obligation of 3,500 AF with actuals sitting at 3,420 AF; and (c) Table 13 is reliant on precipitation with actuals at 68 AF to date.

3. On Monthly Production for Customer Service for Cal-Am (Water Year 2022): With one month remaining in the year, customer demand is down 36 AF.

4. Stoldt presented a graph on Water Demand Since 2022 noting the downward trend of demand from the current and previous seven (7) years of demand and falling below 10,000 AF.

5. On Monthly and Daily Recorded Rainfall at the San Clemente Rain Gage (Water Year 2022): Noted the current reporting of approximately .15 inches of precipitation was received and does not account for additional rainfall received after midnight on 09/19/2022. He anticipates projected totals to be slightly above half an inch of rain.

6. Displayed graph on Estimated Unimpaired Carmel River Flow at Sleepy Hollow WEIR: (Water Year 2022). *No new substantial information to report on.*

David J. Stoldt, GM introduced this item and gave a presentation on an “Update on Development of Water Supply Projects,” and answered board questions. *A copy of the presentation is available at the District office and can be found on the District website.* Stoldt made the following points:

1. Progress on Desalination Plant: CalAms application on their proposed desalinization project to the California Coastal Commission has been deemed complete as of September 1, 2022. As a result, the commission has set a November 17, 2022 hearing in the City of Salinas on the matter. In addition, a proposed decision on Phase 2 of the California Public Utilities Commission (CPUC), Case No.: A.21-011-024 is anticipated to be released in March 2022.
2. Progress on Pure Water Monterey: Stoldt announced the 2-Year Anniversary of Water Delivered for Customer Use from PWM as of September 1, 2022. On Phase 1 of the CPUC case no announcement or proposed decision has been released. Beginning January 2023, a request for an increase of the Waste Discharge Permit will be submitted by Monterey One Water.
3. Stoldt announced Jon Lear, Water Resources Manager has been selected as an appointee on the Salinas Valley Basin Groundwater Sustainability Agency- Groundwater Technical Advisory Committee (GTAC).
4. Stoldt informed the Board of Director’s that the County Board of Supervisors Forum entitled, “Monterey County Water Future – First Steps Toward a 21st Century Water System” to be held on Tuesday, September 20, 2022 at 1:30 p.m.

Director Adams stated the 3rd Series of the Water Forum will occur in December 2022.

In response to a question raised by Director Edwards, Laredo mentioned a discussion on hiring a lobbyist to advocate on behalf of the District before the CA Coastal Commission can be had during Item No. 19 and 21.

Stoldt called attention to Item No. 25 | Letters Received on a letter dated September 6, 2022 and addressed to John Ainsworth, Executive Director with the California Coastal Commission and discussed the letter briefly with the board.

Thomas Christensen, Environmental Resources Manager introduced the item, presented via slide-deck entitled, “Update on Sleepy Hollow Improvement Projects” and answered board questions. *A copy of the presentation is*

10. Update on Development of Water Supply Projects (Verbal Report)

11. Update on Sleepy Hollow Improvement Projects (Verbal Report)

available at the District office and can be found on the District website. Christensen provided an overview to include a: (1) Need for Replacement Tank Project; (2) Pre-construction images; (3) the Scope of Work and Construction had; (4) displayed an image of the Quarantine Tank Replacement; (5) provided a verbal status report on the project with contractual work being 100% completed with all components being functional and mentioned remaining tasks at hand; and (6) highlighted actual project costs of \$314,697.50 vs. board authorizations of \$378,000.

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

- (a) Susan Schiavone: Voiced gratitude for the work being done at Sleepy Hollow.

No further comments were directed to the Board.

David J. Stoldt, GM introduced the item and presented by slide-deck entitled, “Overview of District Legal Expenditures for FY 2021 – 22” and answered board questions. *A copy of the presentation is available at the District office and can be found on the District website.* Stoldt provided an overview of the (1) General Legal Expenditures for FY2021-22 and broken up by Fiscal Year (FY); and (2) Specific “Other” Cases highlighting recent legal costs to the District to include the MPTA, LAFCO, Measure J – CEQA and Measure J- General Lawsuits and described further in the presentation.

Chair Paull and Director Edwards appreciated the report presented by the GM providing a general overview of legal expenses over the years, recent expenses attributed to current/ongoing lawsuits and demonstrates an effort by the District to be transparent.

The board heard a verbal status report by District Counsel Laredo on two matters of ongoing litigation listed below:

- (a) MPTA, *Plaintiff* v. MPWMD, *Defendants*;
Monterey County Superior Court Case No.:
21CV003066

Laredo indicated the administrative record has been lodged with the Superior Court and a reply brief to MPTA’s opening brief is due by the District on September 21, 2022. Following submittal of a reply brief by MPTA a trial on the matter has been set for November 4, 2022.

- (b) MPWMD, *Plaintiff* v. LAFCO of Monterey County, et al., *Defendants*; Monterey County Superior Court Case No.: 22CV000925.

Laredo mentioned the administrative record has been

12. Overview of District Legal Expenditures for FY2021-22 (Verbal Report)

REPORT FROM DISTRICT COUNSEL

lodged by Best, Best and Krieger, LAFCO's Special Counsel as of September 19, 2022.

Director Riley: Commented on his progress in getting the Seaside Groundwater Basin Watermaster Board to discuss long-range goals and financing to finance additional water into the basin. He stated David J. Stoldt, GM provided a presentation before the League of Women Voters of Monterey County (LWV) on the District's Water Supply and Demand numbers.

Director Edwards: Stated both he and Director Riley explained at a recent Seaside City Council meeting how the District intends to pay for Measure J. He shared his appreciation for: (1) Director Riley's efforts with the Watermaster particularly addressing protective water levels with the group; and (2) the GM provided a Water Supply and Demand presentation before the LWV.

Director Adams: Provided supplemental information on the Water Forum to be had on September 20, 2022 and mentioned Federal and State officials will be in attendance to educate water agencies how to look for and apply for outside funding. She mentioned the Water Forums serve as a listening session for the community on water issues throughout Monterey County.

[Item No. 14 presented and heard after Item No. 15]

David J. Stoldt, General Manager provided introductory remarks, answered board questions, recommended approval of the matter and presented by slide-deck entitled, "Consider Adoption of October – December 2022 Quarterly Water Supply Strategy and Budget for California American Water." *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Paull opened public comment; no comments were received by the Board.

A motion was offered by Director Malek with a second by Director Edwards to approve the production strategy for the California American Water Distribution Systems for the three-month period of October through December 2022. The strategy sets monthly goals for surface and groundwater production from various sources within the California American Water systems. /CEQA Compliance: Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1) ESA Compliance: Consistent with the September

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

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

PUBLIC HEARINGS

14. Consider Adoption of October through December 2022 Quarterly Water Supply Strategy And Budget

2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.]
The motion passed on a roll-call vote of 7-Ayes (Paull, Adams, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 0-Absent.

[Item No. 15 heard in advance of Item No. 14]

David J. Stoldt, General Manager provided an overview of the staff report, recommended approval of Resolution No. 2022 – 25 and answered Board questions. He presented via slide-deck entitled, “Consider Adoption of Resolution Modifying Rule 160- Regulatory Water Production Targets for California American Water Systems.” *A copy of the presentation is available at the District office and can be found on the District website.*

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

A motion was offered by Director Roberson with a second by Director Malek adopting Resolution No. 2022-25 modifying Rule 160- Regulatory Water Production Targets for California American Water Systems. [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.]
The motion passed on a roll-call vote of 7-Ayes (Paull, Adams, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 0-Absent.

Stephanie Locke, Water Demand Manager provided an overview of her staff report and answered Board questions. She presented via slide-deck entitled, “Consider Second Reading and Adoption of Ordinance No. 192 to Define Montage Health’s Main Campus, Carmel Hills Professional Center, and Ryan Ranch Campus as the “Community Hospital Site” and Amend Definitions of “Site” and “Parcel.” *A copy of the presentation is available at the District office and can be found on the District website.* The presentation provided background information, summary of Ordinance No. 192 additions/amendments to the District Rules and Regulations, CEQA | Notice of Intent and Negative Declaration to be considered by the board and recommended approval of the matter.

Chair Paull opened Public Comment; no comments were received by the Board.

15. Consider Adoption of Resolution No. 2022-25 Modifying Rule 160 – Regulatory Water Production Targets for California American Water Systems

16. Consider Second Reading and Adoption of Ordinance No. 192 to Define Montage Health’s Main Campus, Carmel Hills Professional Center, and Ryan Ranch Campus as the “Community Hospital Site” and Amend Definitions of “Site” and “Parcel”

A motion was offered by Director Malek with a second by Director Anderson approve the CEQA findings of approval and adopted Ordinance No. 192. [CEQA Compliance: An Initial Study and Notice of Intent to Adopt a Negative Declaration was circulated for 20 days. No comments were received. The Board adopted the Negative Declaration as part of its consideration of adoption. Staff will file the appropriate Notice of Determination following adoption]. The motion passed on a roll-call vote of 7-Ayes (Paull, Adams, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 0-Absent.

ACTION ITEMS

David J. Stoldt, General Manager introduced the matter and presented via slide-deck entitled, “Consider Adoption of District’s 2022 Supply and Demand Forecast.” *A copy of the presentation is available at the District office and can be found on the District website.*

17. CONSIDER ADOPTION DISTRICT’S 2022 SUPPLY AND DEMAND FORECAST

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

- (1) Kevin Dayton: Encourages the District to evaluate the correlation between population decline (to include the Monterey Peninsula Unified School District, City of Carmel and other Peninsula cities) and water supply issues within the area.
- (2) Marli Melton: Voiced her appreciation for the presentation provided during the hearing and provided feedback for improvement on the presentation.
- (3) Alexander Henson: Commented that AMBAG may be able to share a growth projection to a date in the future and provide estimates when the growth can be expected. As a past board member, he explained recycled water was not part of the discussion nor was a solution at the time and the only viable option was desalination. With the pending application before the California Public Utilities Commission, he stated the expansion would provide the Peninsula with a path moving forward on water supply.
- (4) Margaret-Ann Coppernoll: Voiced her appreciation for the presentation provided by the General Manager before the Board of Directors and the LWV.
- (5) Anna Thompson: Expressed appreciation for the General Manager’s presentation on the District’s Water Supply and Demand presentation and shared her concern over CalAm’s proposed desal plant over environmental concerns.

- (6) Susan Schiavone: Thanked the General Manager for his presentation on Water Supply and Demand and commented there are a number of factors for population declines on the Peninsula that are not only attributed to water supply to include cost of living.

No further comments were received by the Board.

A motion was offered by Director Malek with a second by Director Edwards to adopt the technical memorandum titled “MPWMD 2022 Water Supply and Demand Forecast”. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

Stephanie Locke, Water Demand Manager provided an overview of the staff note, answered Board questions and recommended board approval of the matter. Locke presented via slide-deck entitled, “Consider Request for Water from District Reserve and Delay of Payment of Fees for Non-Profit Public Benefit Projects – Casa de Noche Buena, 1292 Olympia Ave., Seaside, and Shuman HeartHouse, 600 Franklin St., Monterey.” *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Paull opened public comment; no comments were received by the Board.

A motion was offered by Director Malek with a second by Director Anderson to approve a request for District Reserve water for a new shelter in Monterey, an expansion in use at the Casa de Noche Buena shelter in Seaside and consider adopting the Findings of Approval. The applicant is a California Non-Profit Public Benefit Corporation and qualifies for consideration of payment deferral. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

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

Chair Paull opened Public Comment; the following comments were directed to the Board:

- (1) Anna Thompson: Voiced support for Staff’s recommendation.
- (2) John McPherson: Concurs with Director Edwards comments and supports staff’s recommendation.
- (3) Susan Schiavone: Voiced support for Staff’s recommendation.

18. Consider Request for Water from District Reserve and Delay of Payment of Fees for Non-Profit Public Benefit Projects – Casa De Noche Buena, 1292 Olympia Avenue, Seaside and Shuman HeartHouse, 600 Franklin Street, Monterey

19. Consider Adding the Position of Public Outreach Coordinator/ Public Outreach Specialist to the District’s Organizational Chart

No further comments were received by the Board.

A motion was offered by Director Edwards with a second by Director Paull to authorize staff to add the Public Outreach Coordinator/Public Outreach Specialist position to the District's current organization chart and associated salary range. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

David J. Stoldt, General Manager provided an overview of the staff report, answered Board questions and presented three options for the Board to consider and further detailed in the staff report. Director Riley stressed the need to have and hire WellmanAd as the District's Public Outreach Consultant based on pressing issues facing the District. *In response to a question raised by Mayor/Director Roberson*, Stoldt noted the contract would include language that would detail the scope of work and certain exclusions, *if any*. Laredo confirmed with the Board language can be incorporated into the contract to exclude a consultant from campaigning for a candidate running for a seat on the MPWMD Board.

20. Approve Budget and Consider Method for Hiring Outside Consultant for Public Outreach Services

Chair Paull opened public comment; the following comments were made to the Board:

- (1) John McPherson: Advised the board and warned the Board members against hiring a group that may be considered as a lobbyist.
- (2) Susan Schiavone: Recommended the Board to select one of the proposed consultants found in the staff note and to highly consider WellmanAd.
- (3) Anna Thompson: Concurs with Schiavone's comments. She explained the District needs to hire a consultant based on the narrative and messaging CalAm is spreading in the community.

No further comments were directed to the Board.

Chair Edwards called the question on the main motion on the floor. By board consensus and unanimously carried, the board ended discussion and to consider the original motion on the floor.

A motion was offered by Director Edwards with a second by Director Riley to (1) Direct staff to develop an agreement precluding Wellman Ad from campaigning for a candidate seeking a seat on the MPWMD Board of Directors; (2) Make an offer and negotiate contract terms with Wellman Ad; and (3) Subject to full board review at a future Special Meeting. The motion passed on a roll-call vote of 5-Ayes (Paull, Riley, Edwards, Roberson, and Malek), 2-Noes (Anderson and Adams) and 0-Absent.

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

Chair Paull opened public comment; no comments were received by the Board.

A motion was offered by Director Adams with a second by Director Paull to authorize staff to add the District Engineer position to District's current organization chart and associated salary range. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Edwards, Anderson, Roberson and Adams), 0-Noes, 1-Abstain (Malek) and 0-Absent.

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

Chair Paull opened public comment; no comments were received by the Board.

A motion was offered by Director Edwards with a second by Director Anderson adopted Resolution No. 2022-26 and direct staff to submit a grant application. The motion passed on a roll-call vote of 7-Ayes (Paull, Riley, Edwards, Anderson, Roberson, Adams and Malek), 0-Noes and 0-Absent.

No further discussion was had on Informational Items.

There being no further business, Chair Paull adjourned the meeting at 10:27 p.m.

21. Consider Adding the Position of District Engineer to the District's Organization Chart

22. Consider Adoption of Resolution 2022-26: A Resolution of the Board of Directors Authorizing the Grant Application, Acceptance, and Execution for the Expansion of The Pure Water Monterey Project

INFORMATIONAL ITEMS/STAFF REPORTS

- 23. Report on Activity/Progress on Contracts Over \$25,000**
- 24. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 25. Letters Received and Sent**
- 26. Committee Reports**
- 27. Monthly Allocation Report**
- 28. Water Conservation Program Report**
- 29. Carmel River Fishery Report for August 2022**
- 30. Monthly Water Supply and California American Water Production Report**

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

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

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EXHIBIT 1-B

**Draft Minutes
Special Meeting
Board of Directors
Monterey Peninsula Water Management District
Monday, October 10, 2022**

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

Chair Paull called the meeting to order at 11:00 a.m.

CALL TO ORDER

Directors Present via Zoom:

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

ROLL CALL

Directors Absent: None

General Manager Present: David J. Stoldt

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

None

ADDITIONS AND CORRECTIONS TO THE AGENDA BY THE GENERAL MANAGER

ACTION ITEMS

David J. Stoldt, General Manager provided a brief overview of his staff report, the draft agreement with Wellman Ad and as found in the agenda meeting packet. Stoldt briefly covered language found on the Exhibit 1-A (Page 4, Section 12: Interest of Agency) precluding Wellman from campaigning for a candidate seeking to be on the MPWMD Board of Directors during his contract term. Stoldt, General Manager; David C. Laredo, District Counsel; and Stephanie Locke, Water Demand Manager answered questions from the Board of Director's regarding specific language and contract terms found in the draft agreement.

1. Consider Contract for Public Outreach Services with WellmanAd for Fiscal Year 2023

In response to comments made by Director Malek, Phil Wellman with WellmanAd assured the board that he will keep track of and document hours working on District

projects.

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

A motion was offered by Director Edwards with a second by Director Riley to approve a contract with Wellman Ad for project management, outreach and communication services for the current fiscal year with a monthly retainer not-to-exceed \$7,875.00. The motion was adopted on a vote of 6-Ayes (Paull, Edwards, Riley, Anderson, Malek and Roberson), 1-Noes (Adams) and 0-Abstain (0).

David J. Stoldt, General Manager introduced the matter, answered board questions and sought board direction on how to engage with the California Coastal Commission. He presented the following options for the Board to discuss and consider which are to: (1) Hire and contract out with a lobbyist; (2) Designate David J. Stoldt, General Manager to act on the District’s behalf; or (3) Designate David J. Stoldt, General Manager and select Board Members to act on the District’s behalf.

2. Discuss and Provide General Direction on the District’s Engagement to Participate in the California Coastal Commission Hearings on November 17, 2022 Relating to California American Water’s Application

Stoldt shared a document with the Board entitled, “Coastal Commission as of October 2022” highlighting the three subgroups of appointees hailing from Governor’s Office, Senate Rules Committee and Assembly Speaker. *A copy of the presentation is available at the District office and can be found on the District website.* He provided a brief overview of those appointees who would and would not accept ex-parte communications.

After much deliberation, the Board by consensus formed a subcommittee comprising of Directors Paull, Adams and Riley to discuss the District’s engagement and messaging with the CA Coastal Commission for their hearing on November 17, 2022.

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

- (1) Melodie Chrislock: Shared her past experiences working with specific CA Coastal Commission appointees and providing public comment before the CA Coastal Commission.
- (2) Susan Schiavone: Supports Board direction. She encourages the subcommittee to engage with CA Coastal Commissions and CA Coastal Commissioner Appointees.
- (3) Margaret Ann Coppernoll: Concurred with prior speakers and believes a complete denial without conditions would be ideal.
- (4) Liesebeth Visscher: Shared her past experiences

with working with and making public comment before the CA Coastal Commission. She encouraged the District to find out the meeting rules on public comment or special exceptions that can be made in advance of the hearing.

No further comments were directed to the Board.

There being no further business, Chair Paull adjourned the meeting at 11:56 a.m.

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

Minutes Approved by the MPWMD Board of Directors on Monday, October xx, 2022

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ITEM: CONSENT CALENDAR

2. CONSIDER ADOPTING DRAFT RESOLUTION NO. 2022-29 AUTHORIZING REMOTE TELECONFERENCING MEETINGS OF ALL DISTRICT LEGISLATIVE BODIES FOR THE FOLLOWING 30 DAYS IN ACCORD WITH THE RALPH M. BROWN ACT AND AB 361 (RIVAS)

Meeting Date: October 17, 2022

Budgeted: N/A

From: David J. Stoldt,
General Manager

Program/ N/A
Line Item No.:

Prepared By: David Laredo

Cost Estimate: N/A

General Counsel Review: *Prepared by District Counsel*

Committee Recommendation: N/A

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

DISCUSSION:

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

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

RECOMMENDATION:

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

OPTIONS:

Take no action.

FINANCIAL IMPACT:

There is no fiscal impact.

EXHIBIT

2-A Draft Resolution No. 2022-29

**EXHIBIT 2-A****DRAFT****RESOLUTION NO. 2022-29**

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

FACTS

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

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

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

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

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

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

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

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

PASSED AND ADOPTED on this 17th day of October 2022 on a motion by Director _____ and second by Director _____ by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a resolution adopted on 17th day of October 2022.

Dated:

David J. Stoldt,
Secretary to the Board

ITEM: CONSENT CALENDAR**3. CONSIDER APPROVAL OF RESOLUTION NO. 2022-28 TO APPLY FOR AND ENTER INTO GRANT AGREEMENTS FOR PROPOSITION 1 IRWM IMPLEMENTATION ROUND 2 GRANT, AND AUTHORIZE A GRANT ADMINISTRATION SERVICES CONTRACT**

Meeting Date:	October 17, 2022	Budgeted:	FY 2022-2023
From:	David J. Stoldt, General Manager	Program/ Line Item:	Protect Environmental Quality Project 2-6-1-D
Prepared By:	Maureen Hamilton	Cost Estimate:	\$1,488,961 Reimbursed by Grant

General Counsel Review: N/A**Committee Recommendation:** The Water Supply Planning committee reviewed this item on October 3, 2022 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 Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Group (RWMG) is eligible to receive up to \$1,488,961 in Proposition 1 Integrated Regional Water Management Implementation Round 2 Grant (Grant) funds from the Department of Water Resources (DWR).

MPWMD is the RWMG designated lead for making the Grant application on behalf of the RWMG.

The grant applicant must provide a resolution, incorporated herein as draft Resolution No. 2022-28 (**Exhibit 3-A**), adopted by the applicant's governing body designating an authorized representative to submit a proposal and execute an agreement with the State of California for a Grant. The Proposal Solicitation Package for the grant requires that the resolution be included with the grant application.

The projects funded by this grant are County of Monterey Carmel River Floodplain Restoration and Environmental Enhancement Project (CRFREE) and City of Monterey Olivier Street Stormwater Diversion Project.

Staff proposes to hire a consultant administer the Grant, the cost of which would be reimbursed by the Grant. Administration costs are limited to less than 10% of the total requested grant funds, \$148,896.

RECOMMENDATION: The Board of Director's will consider approving the following recommended actions to include to:

1. Adopt Resolution 2022-28 (**Exhibit 3-A**) authorizing the General Manager to apply for and enter into a grant agreement with the DWR for a Proposition 1 Integrated Regional Water Management Implementation Round 2 Grant; and
2. Authorize the General Manager to enter into sub-grant agreements with project proponents; and
3. Authorize the General Manager to enter into an agreement for grant administration services not to exceed \$148,896 and to be reimbursed by the grant.

BACKGROUND: On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million in Integrated Regional Water Management (IRWM) funds. Proposition 1 IRWM funds are allocated to 12 hydrologic region-based Funding Areas. The Central Coast Funding Area (CCFA) is comprised of six IRWM Regions, including our RWMG, of which MPWMD is a member. The CCFA was allocated \$43 million dollars.

The CCFA members entered into a Memorandum of Agreement to share Proposition 1 IRWM grant funding among the six regions in a fair and equitable manner. Half of the funds were equally split among the six regions, one quarter was split based on population, and the remaining one quarter was split based on region area. The RWMG was allocated \$4,193,848.

DWR is administering the funds in 4 grant programs:

1. Planning,
2. Disadvantaged Community (DAC) Involvement,
3. Implementation Round 1,
4. Implementation Round 2.

The RWMG received \$465,983 for the DAC Involvement program in 2018 and \$2,238,904 for the Implementation Round 1 program in 2021. The DAC Involvement work is in its last stage and the Implementation Round 1 work is in progress. The RWMG did not apply for planning funds because it had received a Proposition 84 Planning Grant in 2010.

On September 21, 2022 the RWMG voted to apply for \$500,000 for the City of Monterey Olivier Street Stormwater Diversion Project, also called Lighthouse Tunnel Diversion Project and Monterey Tunnel Stormwater Diversion Project, with the remainder of funds, over \$840,000, for the CRFREE Project.

The Proposal Solicitation Package for the grant requires that a resolution be included with the grant application, which is due in February 2023. The grant agreement with DWR is expected to be finalized in mid-2023.

EXHIBIT

3-A Resolution No. 2022-28 (Draft)



EXHIBIT 3-A

DRAFT RESOLUTION NO. 2022-28

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AUTHORIZING ITS GENERAL MANAGER TO ENTER INTO AGREEMENTS FOR PROPOSITION 1 GRANT FUNDING

FACTS

1. In 2016, the Monterey Peninsula Water Management District (MPWMD) executed a Memorandum of Agreement for Integrated Regional Water Management Planning and Funding in the Central Coast Funding Area (MOA). The primary intent of the MOA is to share Proposition 1 funding for the Integrated Regional Water Management (IRWM) grant program among the six regions in a fair and equitable manner. Each region independently determines and prioritizes projects to be funded within its boundary.
2. The MOA reduces the need for regions to compete against each other for grant funds.
3. The Monterey Peninsula, Carmel Bay and Southern Monterey Bay Regional Water Management Group (Monterey Peninsula RWMG) is eligible to receive \$1,488,961 in Proposition 1 IRWM Implementation Round 2 grant funds.
4. In May 2022 the Department of Water Resources (DWR) released the Proposition 1 IRWM Implementation Round 2 Grant Proposal Solicitation Package.
5. If Monterey Peninsula RWMG is awarded grant funds, MPWMD would be responsible for grant administration.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Monterey Peninsula Water Management District does hereby resolve:

1. The General Manager (General Manager) of the Monterey Peninsula Water Management District (District) is authorized and directed to make a proposal on behalf of the District to the California Department of Water Resources to obtain a Integrated Regional Water Management Implementation Round 2 Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 et seq.), and to enter into an agreement to receive a grant for projects specified by the Monterey Peninsula, Carmel Bay, and South Monterey Bay Regional Water Management Group.

2. The General Manager, or designee, is authorized and directed to prepare the necessary data, conduct investigations, file such proposal, and execute a grant agreement or any amendments thereto with California Department of Water Resources.
3. The General Manager is authorized to enter into sub-grantee agreements to disburse funds to project proponents to implement projects compliant with the Grant.

PASSED AND ADOPTED on this XXth day of October 2022 on a motion of Director Anderson with a second by Director Adams by the following vote, to wit:

AYES: Director

NAYS: None

ABSENT: None

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing resolution was duly adopted on the XXth day of October 2022.

David J. Stoldt,
Secretary to the Board of Directors

ITEM: CONSENT CALENDAR**4. CONSIDER DISTRIBUTION OF FUNDS FOR LOCAL PROJECT GRANT FUNDING**

Meeting Date:	October 17, 2022	Budgeted:	FY 22-23
From:	David J. Stoldt, General Manager	Program/ Line Item:	Protect Environmental Quality Project 2-6-1
Prepared By:	Maureen Hamilton	Cost Estimate:	Not-to-Exceed \$25,000

General Counsel Review: N/A**Committee Recommendation: The Water Supply Planning committee reviewed this item on October 3, 2022 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 City of Monterey (City) has proposed to perform development work for the Olivier Street Stormwater Diversion Project (Project), also referred to as Lighthouse Tunnel Diversion Project and Monterey Tunnel Stormwater Diversion Project.

The Project will divert urban drainage from an existing storm drain, currently discharging untreated to the Monterey Bay National Marine Sanctuary, to an existing City sanitary sewer utility for treatment at Monterey One Water Regional Treatment Plant. This diversion would provide 10-12 acre-feet of dry weather source water for water recycling at the time of year when source water is not abundant, and reduce point source discharge in a Disadvantaged Community.

In September 2022 the Project was selected by the Integrated Regional Water Management (IRWM) Group to include in its Proposition 1 IRWM Implementation Round 2 Grant (IRWM Grant) application. The IRWM Grant application is due February 2023. Due to timing of the IRWM Grant solicitation and City budgeting process, Project development funds were not budgeted at the City this fiscal year. Because dry weather source water is important for recycled water supply, MPWMD and Monterey One Water staff have been assisting with development of this important dry-weather diversion project.

The work to be funded by this potential MPWMD grant includes clarifying existing structure and utility locations, existence of utility easements, and whether State Parks and other property owner(s) may be impacted by the proposed diversion pipe alignments. Determining the complexity of the easements in a timely manner is needed to better estimate CEQA and permit costs required for the IRWM Grant application.

Staff is requesting authorization to allocate funds to and enter into a grant agreement with the City of Monterey for Project development costs. The Project's public purpose is increased water supply.

The 2022 budget includes a line item for local water projects which has \$25,000 in unallocated funds.

RECOMMENDATION: The Board of Director's will consider approving the following actions to include to:

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

EXHIBIT

4-A Grant Agreement Between Monterey Peninsula Water Management District and the City of Monterey for Local Water Project Development Expenses

EXHIBIT 4-A

FORM OF GRANT AGREEMENT BETWEEN MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND THE CITY OF MONTEREY FOR LOCAL WATER PROJECT DEVELOPMENT EXPENSES

THIS AGREEMENT is entered into this ____ day of _____, 2022, by and between the Monterey Peninsula Water Management District (MPWMD) and the City of Monterey.

FACTS

A. MPWMD was created by the California Legislature in 1977 for the purpose of “conserving and augmenting the supplies by integrated management of ground and surface water supplies, for control and conservation of storm and wastewater, and for the promotion of the reuse and reclamation of water.” The MPWMD’s specific functions are “management and regulation of the use, reuse, reclamation, conservation of water and bond financing of public works projects.” It is authorized to issue bonds, assess charges for groundwater enhancement facilities, levy assessments on real property and improvements, and “fix, revise and collect rates and charges for the services, facilities, or water furnished by it.”

B. The City of Monterey through its Council and other officials, has all powers necessary or appropriate to a municipal corporation and the general welfare of its inhabitants, which are not prohibited by the Constitution of the State.

C. At its June 20, 2022 meeting, the MPWMD Board of Directors adopted a budget that included expenditures up to \$157,000 for development expenses for local water projects.

NOW, THEREFORE, in consideration of the facts recited above and the mutual goals and objectives contained herein, the parties agree as follows:

1. Purpose of Agreement.

The purpose of this Agreement is for MPWMD to advance up to \$25,000 to the City of Monterey, to be paid beginning in MPWMD Fiscal Year 2022/23 and to be used by the City of Monterey for development expenses associated with the Olivier Dry Weather Diversion Project (Project), also known as the Lighthouse Tunnel Diversion Project.

2. The Project.

The Project would divert flows from the downtown Tunnel and Oliver Street storm drain gravity pipe to the sanitary sewer instead of discharging it into Monterey Bay. This would remove dry weather flows that are currently discharged to Monterey Bay, thereby partially restoring natural drainage patterns and

treating any urban pollutants that are associated with the diverted flows. The project is estimated to achieve from 10 to 20 ac-ft/yr of water supply from the approximately 150-acre tributary drainage area. The project will provide benefits to the community as it provides a source of alternative water supply during the dry season.

Development expenses funded by this grant include developing a survey plan and report identifying property and utility details, easements, and ownership along the proposed (new) storm water diversion pipe. The information provided in this report will inform alignment design, CEQA, and necessary easements.

3. Term of Agreement.

The term of this Agreement begins on the date set forth above and shall remain in effect until June 30, 2023. Invoices received by MPWMD after this date for Project costs incurred up to June 30, 2024, shall be paid unless MPWMD's maximum commitment of \$25,000 has been reached.

4. Reimbursement.

The City of Monterey shall invoice MPWMD on a monthly basis and MPWMD shall pay, subject to the conditions described in Section 8 below.

5. Limited Obligations.

The parties agree MPWMD's financial obligations are limited obligations payable from its Water Supply Charge.

6. Invoices.

The City of Monterey shall pay for consultants, contractors, and other Project costs in accordance with the terms of this Agreement. The City of Monterey shall submit monthly invoices to MPWMD for Project costs which will include back-up documentation substantiating said Project costs incurred by the City of Monterey.

7. Payment of Invoices.

MPWMD shall have the right to review and confirm that the invoices submitted by the City of Monterey are in conformance with the terms of this Agreement. Where MPWMD finds the invoice and supporting documentation for work to be unsatisfactory, MPWMD shall describe the deficiencies in writing or by electronic mail to the City of Monterey within ten (10) days. The City of Monterey shall have the option of revising the invoice and supporting documentation to delete reimbursement requests for invoices that are deemed unsatisfactory or revising unsatisfactory invoices and resubmitting a reimbursement request. Payments to the City of Monterey are due and payable within thirty (30) days of receipt of invoice.

8. Event of Default.

The failure of a party to comply with any provision of this Agreement that has a material and adverse effect on the other party, except to the extent caused by a breach of this Agreement by the other party, shall constitute an Event of Default under this Agreement; provided, however, that the defaulting party shall first have a period of thirty (30) days following receipt of notice from the other party of such failure to comply to cure such failure, or if such cure cannot be effected within such thirty (30) day period, such period shall extend for a total of one hundred eighty (180) days, so long as the defaulting party is diligently trying to cure such failure throughout such period.

9. Dispute Resolution.

Both parties shall meet and use their best efforts to settle any dispute, claim, question or disagreement (Dispute) arising from or relating to this Agreement. To that end, the parties shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If the parties do not reach such a solution within a period of thirty (30) days after the first meeting regarding the Dispute, then the parties shall pursue non-binding mediation to be completed within sixty (60) days after the first meeting regarding the Dispute. If the parties do not settle the Dispute within the sixty (60) day period, either Party may pursue any and all available legal and equitable remedies.

GENERAL PROVISIONS

10. Force Majeure.

Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations (other than payment obligations) under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, actions of legislative, judicial, executive or regulatory government bodies or other cause, without fault and beyond the reasonable control of such party. If any such events shall occur, the time for performance by either party of any of its obligations hereunder shall be extended by the parties for the period of time that such events prevented such performance. Upon the occurrence of an event of Force Majeure, the affected party shall: (i) promptly notify the other party of such Force Majeure event, (ii) provide reasonable details relating to such Force Majeure event and (iii) implement mitigation measures to the extent commercially reasonable.

11. Indemnities.

- a. **MPWMD Indemnity.** MPWMD shall fully indemnify the City of Monterey and its respective directors, employees and agents against, and hold completely free and harmless from, any cost, expense, claim, demand, judgment, loss, injury and/or liability of any kind or nature, including personal or bodily injury, death or property damage (Losses), that may arise from any grossly negligent act or omission of MPWMD related to the Project.
- b. **City of Monterey Indemnity.** The City of Monterey shall fully indemnify MPWMD and its respective directors, employees and agents against, and hold completely free and harmless from, any

Losses, that may arise from (i) any grossly negligent act or omission of the City of Monterey related to the Project construction, management, operation, maintenance or repair, except for costs, expenses, claims, demands, judgments, losses, injuries and/or liability arising from any grossly negligent act or omission of MPWMD related to the Project development activities or (ii) any claim made by a City of Monterey employee specifically retained to provide services with respect to the Project development activities.

12. Insurance/Self Insurance.

The parties are either insured or self-insured as to any requirements under this Agreement. No policies or bonds are required of either party as to any provisions of this Agreement.

13. Notices.

All notices to MPWMD required or permitted under this Agreement shall be in writing and shall be deemed delivered (i) when delivered in person; (ii) on the third day after mailing, if mailed, postage prepaid, by registered or certified mail (return receipt requested); or (iii) on the day after mailing if sent by a nationally recognized overnight delivery service which maintains records of the time, place, and recipient of delivery. In each case the parties shall use the following addresses or such addresses as may be furnished in writing by one party to the other:

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
Attention: General Manager

All notices to the City of Monterey required or permitted under this Agreement shall be in writing and shall be deemed delivered (i) when delivered in person; (ii) on the third day after mailing, if mailed, postage prepaid, by registered or certified mail (return receipt requested); or (iii) on the day after mailing if sent by a nationally recognized overnight delivery service which maintains records of the time, place, and recipient of delivery. In each case the parties shall use the following addresses or such addresses as may be furnished in writing by one party to the other:

City of Monterey
580 Pacific Street
Monterey, California 93940
Attention: Tricia Wotan

14. Successors and Assigns.

The terms and conditions of this Agreement shall inure to the benefit of and are binding upon the parties hereto and their respective successors in interest and permitted assigns.

15. No Third-Party Beneficiaries.

Nothing in this Agreement is intended to create any third-party beneficiaries to the Agreement, and no person or entity other than the parties, and the permitted successors and assigns of either of them, shall be authorized to enforce the provisions of this Agreement.

16. Further Acts and Assurances.

The Parties agree to execute, acknowledge and deliver any and all additional papers, documents and other assurances, and shall perform any and all acts and things reasonably necessary, in connection with the performance of the obligations hereunder and to carry out the intent of the parties.

17. Opinions and Determinations.

Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable.

18. Captions.

The captions in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

19. Severability.

Should it be found that any part of this Agreement is illegal or unenforceable, such part or parts of this Agreement shall be of no force nor effect and this Agreement shall be treated as if such part or parts had not been inserted.

20. Entire Agreement.

All previous negotiations had between the parties hereto and/or their agents or representatives with respect to this Agreement are merged herein and this Agreement alone fully and completely expresses the parties' rights and obligations.

21. Modifications in Writing.

This Agreement shall not be changed, altered or modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

22. Assignment.

Neither Party may assign its interest in this Agreement without the prior written consent of the other Party.

23. Drafting Ambiguities.

This Agreement is the product of negotiation and preparation between the parties. Both sides and their counsel have had the opportunity to revise this Agreement. The parties waive the provisions of Section 1654 of the Civil Code of California and any other rule of construction to the effect that ambiguities are to be resolved against the drafting party, and the parties warrant and agree that the language of this Agreement shall neither be construed against nor in favor of any party unless otherwise specifically indicated.

24. Governing Law.

This Agreement and the rights and obligations of the parties shall be governed, controlled and interpreted in accordance with the laws of the State of California.

25. Venue.

The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of Monterey, State of California.

26. Signing Authority.

The representative of each party signing this Agreement hereby declares that authority has been obtained to sign on behalf of the City of Monterey and MPWMD.

27. Inspection of Books and Records.

The proper officers or agents of MPWMD shall have full and free access at all reasonable times to the account books and official records of the City of Monterey insofar as the same pertain to the matters and things provided for in this Agreement, with the right at any time during office hours to make copies thereof at MPWMD's expense.

28. Representations and Warranties.

No representations or warranties are made or have been relied upon by either party other than those expressly set forth herein, if any.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: _____
[Name], Chair

ATTEST:

DAVID J. STOLDT, Board Secretary

City of Monterey

By: _____
[Name and Title]

ATTEST:

[Name and Title]

APPROVED AS TO FORM:

[Name of Attorney and Title]

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ITEM: ACTION ITEM**7. CONSIDER ADOPTION OF RESOLUTION NO. 2022-30: A RESOLUTION OF THE BOARD OF DIRECTORS AUTHORIZING THE APPLICATION, ACCEPTANCE, AND EXECUTION WITH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD FOR DEEP INJECTION WELL NO. 6 OF THE EXPANSION OF THE PURE WATER MONTEREY PROJECT****Meeting Date:** October 17, 2022 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** David J. Stoldt **Cost Estimate:** N/A**General Counsel Approval:** N/A**Committee Recommendation:** None**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: Late last year, the District submitted a request through the office of State Senator John Laird for immediate and long-term drought relief by adding an additional injection well, Deep Injection Well No. 6 (DIW-6), to the Expansion of the Pure Water Monterey project.

\$4.8 million was approved by the Governor in the Budget Act of 2022.

RECOMMENDATION: The General Manager recommends that the Board adopt Resolution No. 2022-30 and direct staff to submit an application to the State Water Resources Control Board.

DISCUSSION: Pure Water Monterey expansion has recently been undertaken and includes an increase in the amount of injection to achieve an additional 2,250 AFY of yield bringing the total deliveries to Cal-Am of 5,750 AFY on average. The expanded injection well area would contain up to three well sites, but only one new deep injection well was contemplated in the Final Supplemental Environmental Impact Report certified April 26, 2021. The remaining two sites were contemplated for replacement injection wells in the future.

In August 2021, the District, with support from Monterey One Water, informed the Senator that with additional funding, the Pure Water Monterey expansion project could add a sixth deep injection well. Such a well would result in three desirable outcomes: (i) use of excess capacity in the advanced water purification facility to produce more water, offsetting sources that may be constrained by drought; (ii) building a drought reserve in the ground during dry, normal, or wet years creating longer-term drought resilience; and (iii) create redundancy and operational flexibility.

The \$4.8 million requested will allow MPWMD and M1W to complete planning, design, and construction of an additional Deep Injection Well (see table below for a breakdown of the funding).

This opportunity through the State of California will help strengthen the water supply in a community facing a severe water supply challenge. As drought and other environmental impacts continue to plague California, this effort is more important than ever.

Injection Well 6	
Description	Cost
Engineering Design	\$ 351,750.00
Bid Phase Support	\$ 21,000.00
Construction Costs	\$ 3,885,000.00
Engineering Services During Construction	\$ 278,250.00
Construction Management	\$ 172,200.00
Environmental, Permitting & Legal	\$ 91,800.00
	\$ 4,800,000.00

EXHIBIT

7-A Resolution No. 2022-30



EXHIBIT 7-A

**DRAFT
RESOLUTION NO. 2022-30**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AUTHORIZING AN APPLICATION, ACCEPTANCE, AND EXECUTION
WITH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD
FOR DEEP INJECTION WELL NO. 6 OF THE
EXPANSION OF THE PURE WATER MONTEREY PROJECT**

WHEREAS, The Monterey Peninsula Water Management District (“District”) is organized and exists under the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, and published at Water Code Appendix, Section 118-1, et seq.) (“District Law”); and

WHEREAS, Pursuant to Section 325 of the District Law, and except as otherwise limited by the District Law, the District has the power to do any and every lawful act necessary in order that sufficient water may be available for any present or future beneficial use or uses of the lands or inhabitants within the District, including, but not limited to, irrigation, domestic, fire protection, municipal, commercial, industrial, recreational, and all other beneficial uses and purposes; and

WHEREAS, Pursuant to Section 328 of the District Law, the District has the power, among other things, (a) to acquire public or private water systems necessary or proper to carry out the purposes of the District Law; (b) to store water in surface or underground reservoirs within or outside of the District for the common benefit of the District; (c) To conserve and reclaim water for present and future use within the District; (d) To appropriate and acquire water and water rights, and import water into the District and to conserve and utilize, within or outside of the District, water for any purpose useful to the District; and

WHEREAS, Section 326 of the District Law authorizes the District to fix, revise, and collect rates and charges for the services, facilities, or water furnished by it, and authorizes the District to collect its rates and charges via the tax roll or other billing methods. Section 308 of the District Law authorizes the District, by resolution or ordinance, to fix and collect rates and charges for the providing of any service it is authorized to provide; and

WHEREAS, The District engages in a variety of activities that supply water to properties within the District via a distribution system owned by California American Water (CAW), including water supplied by the Aquifer Storage and Recovery project and the Pure Water Monterey project; and

WHEREAS, the Board of Directors of Monterey One Water (the “Agency”) proposes to implement the Expansion of the Pure Water Monterey Project (the “Project”) in partnership with the District; and

WHEREAS, the District intends to apply for grant funding from the California State Water Resources Control Board for Deep Injection Well No. 6 of the Expansion of the Pure Water Monterey Project (the “Project”); and

WHEREAS, the California State Water Resources Control Board is currently awarding funding through the California General Fund through California Assembly Bill AB-179, the “Budget Act of 2022”; and

WHEREAS, the District has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the District intends to work with the California State Water Resources Control Board to meet established deadlines for entering into a cooperative agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Monterey Peninsula Water Management District resolves as follows:

1. That pursuant and subject to all of the terms and provisions of the Budget Act of 2022, the District’s General Manager, or designee, is hereby authorized and directed to prepare and file a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Project, and take such other actions as necessary or appropriate to obtain grant funding.
2. The District’s General Manager, or designee, is hereby authorized and directed to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.
3. The District’s General Manager, or designee, is hereby authorized and directed to carry out the District’s responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable state and federal laws.

PASSED AND ADOPTED on this 17th day of October 2022 on a motion by Director _____ and second by Director _____ by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a resolution adopted on 17th day of October 2022.

Dated:

David J. Stoldt,
Secretary to the Board

ITEM: ACTION ITEM**8. CONSIDER ADOPTION OF RESOLUTION NO. 2022-31: A RESOLUTION OF THE BOARD OF DIRECTORS CONFIRMING DISTRICT PERMIT AUTHORITY ASSOCIATED WITH RECEIPT OF DESAL PLANT PRODUCT WATER INTO THE CAL AM WATER DISTRIBUTION SYSTEM****Meeting Date: October 17, 2022 Budgeted: N/A****From: David J. Stoldt, General Manager Program/Line Item No.: N/A****Prepared By: David J. Stoldt Cost Estimate: N/A****General Counsel Approval: N/A****Committee Recommendation: None****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

SUMMARY: Prior to initiating construction of facilities designed to deliver water from the Monterey Peninsula Water Supply Project to the California American Water Distribution System, and prior to receipt waters from that Source of Supply, and prior to introduction of desal waters into ground water supplies within the District, Cal-Am shall first obtain approval by the District Board of an application to amend the Cal-Am Water Distribution System permit pursuant to District Rules 21.C. and 22.E.

Cal-Am has not yet done so. The proposed Resolution No. 2022-31 would clarify and provide notice to Cal-Am and members of the public District Law and permit processes. This is also a vehicle to clarify to public regulators the permit authority the District exercises, by statute, over the Monterey Peninsula Water Supply Project, including, but not limited to, the California Public Utilities Commission, California Coastal Commission, California State Lands Commission, the County of Monterey, and the City of Marina. Importantly, Cal-Am has not yet applied for, nor received approval of, an amendment to its Water Distribution System from the District.

RECOMMENDATION: The General Manager recommends the Board adopt Resolution No. 2022-31 and direct staff to notify Cal-Am and others of permit requirements applicable to importation and use of desal water into the Cal-Am Water Distribution System.

EXHIBIT**8-A Resolution No. 2022-31**



EXHIBIT 8-A

RESOLUTION NO. 2022-31

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
CONFIRMING DISTRICT PERMIT AUTHORITY ASSOCIATED WITH RECEIPT OF
DESAL PLANT PRODUCT WATER INTO THE CALIFORNIA AMERICAN WATER
COMPANY WATER DISTRIBUTION SYSTEM**

WHEREAS, The Monterey Peninsula Water Management District (“District”) is organized and exists under the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, and published at Water Code Appendix, Section 118-1, et seq.) (“District Law”); and

WHEREAS, Pursuant to Section 325 of the District Law, and except as otherwise limited by the District Law, the District has the power to do any and every lawful act necessary in order that sufficient water may be available for any present or future beneficial use or uses of the lands or inhabitants within the District, including, but not limited to, irrigation, domestic, fire protection, municipal, commercial, industrial, recreational, and all other beneficial uses and purposes; and

WHEREAS, Pursuant to Section 328 of the District Law, the District has the power, among other things, (e) To commence, maintain, intervene in, defend or compromise, in the name of the district on behalf of the landowners therein, or otherwise, and to assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights, within or without the district, used or useful for any purpose of the district or of common benefit to any land situated therein, or involving the wasteful use of water therein. (f) To commence, maintain, intervene in, defend, and compromise and to assume the cost and expenses of any and all actions and proceedings now or hereafter begun. (g) To prevent interference with or diminution of, or to declare rights in, the natural flow of any stream or surface or subterranean supply of waters used or useful for any purpose of the district or of common benefit to the lands within the district or to its inhabitants; and

WHEREAS, Pursuant to Section 325.5 of the District Law, to the extent feasible, District policy shall require development of the water sources within the District boundaries before utilizing water originating outside its boundaries. The proposed Monterey Peninsula Water Supply Project desalination facility is proposed as a Source of Supply and a Water Gathering Device to be developed outside the District boundaries, for delivery and use of that water within the District boundaries, warranting regulatory interest and review by the District under said Section 325.5; and

WHEREAS, Pursuant to Section 363 of the District Law, no person, owner, or operator shall establish, extend, expand, or create a water distribution system unless and until the approval of the board is first obtained in writing. For the purposes of such approval, the board may adopt such rules and regulations and establish such forms for such applications as are necessary and proper; and

WHEREAS, Pursuant to Section 341 of the District Law, the District shall encourage the coordination and integration of ground water supplies with surface water supplies; and

WHEREAS, Pursuant to Section 256 of the District Law, the District Board may by ordinance adopt reasonable rules and regulations to carry out its powers and duties not inconsistent with District Law and any other law, and violation of a District ordinance is a misdemeanor punishable by law; and

WHEREAS, Pursuant to District Ordinance No.1 (February 11, 1980) amended by District Ordinance No.96 (March 19, 2001) “Water Distribution System” is defined to mean all works within the District used for the collection, storage, transmission or distribution of water from the Source of Supply to the Connection of a system providing water service to any Connection including all Water-Gathering Facilities and Water-Measuring Devices. In systems where there is a water meter at the point of Connection, the term “Water Distribution System” shall not refer to the User’s piping; in systems where there is no water meter at the point of Connection, the term “Water Distribution System” shall refer to the User’s piping; and

WHEREAS, Pursuant to District Rule 20.A., adopted by District Ordinance No. 1 (February 11, 1980 and as amended from time-to-time by District Ordinance), an Owner or Operator of a Water Distribution System shall not modify, add to or change his/her Source of Supply, location of uses, change the System Capacity (if applicable) or Expansion Capacity Limit (if applicable), or expand the Service Area unless that Person first files an application to do so with the District and receives an amended creation/establishment permit or written Confirmation of Exemption. Action on such an application for a permit to create or amend a Water Distribution System shall also conform to the process set forth in District Rules 21 and 22.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Monterey Peninsula Water Management District resolves as follows:

1. That prior to initiating construction of facilities designed to deliver water from the Monterey Peninsula Water Supply Project to the California American Water Distribution System, and prior to receipt of waters from that Source of Supply, Cal-Am shall first obtain approval by the District Board of an application to amend its Water Distribution System permit pursuant to District Rules 21.C. and 22.E.
2. That prior to importing, distributing or using desal product water from the Monterey Peninsula Water Supply Project into any surface or groundwater source within the District, Cal-Am shall first seek and obtain approval from the District in accord with Article 2 of the District Law, Sections 341 to 366, inclusive.

3. The District's General Manager, or designee, is hereby authorized and directed ensure that Cal-Am shall make its application pursuant to District Rules 22.E. and 21.C. shall comply with each Rule therein, and shall seek authorization to integrate imported waters into District ground water supplies as contemplated by District Law, and these efforts shall be investigated, considered, determined, and acted upon on the same terms and conditions as provided for the approval, conditional approval, or denial of a permit, in accord with District Rules.

4. The District's General Manager, or designee, is hereby directed to notify other public regulators with permit authority over the Monterey Peninsula Water Supply Project, including, but not limited to, the California Public Utilities Commission, California Coastal Commission, California State Lands Commission, the County of Monterey, and the City of Marina that Cal-Am has not yet applied for, nor received approval of, an amendment to its Water Distribution System by the District, and has not yet received approval of efforts to include introduction of desal product water into District ground water supplies.

PASSED AND ADOPTED on this 17th day of October 2022 on a motion by Director _____ and second by Director _____ by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a resolution adopted on 17th day of October 2022.

Dated:

David J. Stoldt,
Secretary to the Board

ITEM: INFORMATIONAL ITEM/STAFF REPORT**9. LETTERS RECEIVED AND SENT****Meeting Date: October 17, 2022****Budgeted: N/A****From: David J. Stoldt,
General Manager****Program/ N/A
Line Item No.:****Prepared By: Joel G. Pablo****Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

A list of letters sent by and/or received by the Board Chair and/or General Manager between September 14, 2022 and October 11, 2022 is shown below.

The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's website at www.mpwmd.net.

Author	Addressee	Date	Topic
Melodie Chrislock	Board of Directors and General Manager	September 28, 2022	Letters to the Editor on the Cal Am's Proposed Desal
David J. Stoldt	Paul Bruno	September 29, 2022	August 5, 2022 Draft Technical Memorandum-Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions
Gregory Gervais	Maureen Hamilton	September 2022	Federal Facility Excellence in Site Reuse Award
Gregory Gervais	Monterey Peninsula Water Management District	September 2022	Federal Facility Excellence in Site Reuse Award
Gary Cursio and Chris Sommers	David J. Stoldt	September 16, 2022	Letter of Appreciation for the District's Sponsorship of the 32 nd Annual Nick Lombardo Memorial Golf Tournament

California American Water	Board of Directors and General Manager	October 5, 2022	Press Release: Announcement of Phasing for Monterey Peninsula Water Supply Project
David J. Stoldt	Paul Bruno	October 7, 2022	August 5, 2022 Draft Technical Memorandum- Hybrid Water Budget Analyses of Basin Replenishment Options and Alternate Assumptions

ITEM: INFORMATIONAL ITEM/STAFF REPORT**10. COMMITTEE REPORTS**

Meeting Date: October 17, 2022 **Budgeted:** N/A

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

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

General Counsel Review: N/A

Committee Recommendation: N/A

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

Attached for your review as **Exhibits 10-A** to **10-B** are the Final Minutes of the committee meetings listed below.

EXHIBITS

10-A MPWMD Water Supply Planning Committee: June 6, 2022

10-B MPWMD Water Supply Planning Committee: August 1, 2022

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EXHIBIT 10-A

Final Minutes Water Supply Planning Committee of the Monterey Peninsula Water Management District Monday, June 6, 2022

Pursuant to AB 361, this meeting was conducted using teleconferencing means.

Call to Order: Chair Edwards called the meeting to order at 3:01 p.m.

Committee members present: Alvin Edwards, Chair
Karen Paull
George Riley

Committee members absent: None

Staff members present: David J. Stoldt, General Manager
Maureen Hamilton, Senior Water Resources Engineer
Joel G. Pablo, Board Clerk

District Counsel present: David C. Laredo and Fran Farina
with De Lay & Laredo

Comments from the Public: Chair Edwards opened public comment.
No comments were directed to the committee.

Discussion Items

1. Discuss Supply and Demand Forecast

Introductory Remarks:

David J. Stoldt, General Manager provided a high-level overview of his staff report and its sub-topics, provided background information and answered committee questions. He stated the Board adopted the Water Supply and Demand Study in May 2020 with further amendments made in September 2021 to reflect the Association of Monterey Bay Area Governments 2022 Regional Growth Forecast.

Topics Include the Following:

A. California Public Utilities Commission (CPUC) Phase 2 Proceeding (C.21-05-005)

Stoldt informed the committee that Phase 2 of the current application before the CPUC commences on July 20, 2022 with Cal-Am submitting their testimony on an updated supply and demand estimates that will provide information to the Commission, stakeholders and interested parties on long-term water supply needs of the Peninsula. He mentioned reply

briefs to testimony submitted by Cal-Am are due 30 days thereafter and the District intends to examine Cal-Am's testimony. *In response to Riley*, Stoldt stated Phase 1 of the application closes on June 20, 2022 and a proposed decision on Phase 1 is anticipated for the 3rd week of September 2022 or within 90 days as noted in the Commission's scoping memo. Stoldt further responded and foresees the District's Water Supply and Demand study will need to be updated. District Counsel Farina added water supply matters to be addressed in the proceeding will include discussion and analysis on: (1) new CA State Legislation passed in the last few years (e.g. Accessory Dwelling Units and single family allowed lot splits); and (2) update and analysis from water supply on operational capacity of the existing sources on water supply.

B. The Cal-Am Urban Water Management Plan (UWMP)

Stoldt provided background information on Cal-Ams 2020 Urban Water Management Plan and Water Shortage Contingency Plan and directed attention to the Comparison of Demand Forecasts graph as found in the staff report. Discussion ensued on assumptions to be made by Cal-Am from its UWMP in its Phase 2 testimony, Cal-Ams vs. the District's demand assumptions and answered committee questions.

C. Seaside Basin Replenishment

Stoldt provided an overview of his staff report and discussion ensued with committee members on: (1) Cal-Ams rights to 1,474 AFA and leaving 700 AFA of in-lieu recharge in the Seaside Basin for 25 years; (2) protective water levels being achieved in the Seaside Basin; (3) replenishment needs and (4) issues raised in the staff report.

D. AMBAG Regional Housing Number Allocation Needs

Stoldt shared with the committee a table previously presented at past MPWMD Board and committee meeting showing 750 AFA of water being required to meet the current draft 6th cycle AMBAG RHNA numbers and as found in the staff note. He shared even those local jurisdictions whose legislative body support and implement recent State statutes expanding housing opportunities may find that they are unable to meet the housing number allocation needs for their locality. Stoldt made remarks on the 2012 Cal-Am MPWSP Application on Legal Lots of Records and the District's Adopted Water Supply and Demand Study. He stated Cal-Am's MPWSP Application and the District's Water Supply and Demand Study include two-thirds of the water required for the current draft 6th Cycle AMBA RHNA needs.

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

2. Update on Pure Water Monterey Performance to Date

David J. Stoldt, General Manager reported during the fiscal year a total of 3,408.8771 Acre Feet (AF) has been injected with 166.5726 AF to the operating reserve and 3,242.3045 AF of water delivered to California American Water through the end of May 2022. He stated Pure Water Monterey will need to deliver 257.6955 AF in June 2022 to meet the minimum performance guarantee of 3,500 AF.

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

3. Update on Pure Water Monterey Expansion

David J. Stoldt, General Manager provided an update on Pure Water Monterey Expansion and answered committee questions. He mentioned further progress can only be had once Phase 1 of the CPUC approval process has been completed and the Amended and Restated Purchasing Agreement has been fully executed. Stoldt mentioned due to longer procurement lead times; construction delays are to be anticipated and believes completion of the expansion may take 24 – 26 months following CPUC approval.

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

4. Status of Discussion Regarding ASR-1 Well (Verbal Report)

David J. Stoldt, General Manager informed the Committee that two confidential meet and confer meetings occurred on May 27, 2022 and June 2, 2022 with Monterey One Water (M1W), Monterey Peninsula Water Management District, California American Water and Seaside Groundwater Basin Watermaster. He mentioned that M1W and the District do not believe that they are in breach of an agreement with California American Water and discussed a few remedial / alternative solutions to resolve the matter.

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

5. Update on District's Water for Housing Initiative (Verbal Report)

David J. Stoldt, General Manager informed the committee of two meetings had:

1. On May 12, 2022: Stoldt and Hans Uslar, City Manager with the City of Monterey met with representatives with the California Housing and Community Development Department to present their case on the initiative.
2. On May 20, 2022: Stoldt and Uslar met and agreed to have Senator Laird take the lead on the initiative due to his close working relationship with the State Water Resources Control Board (SWRCB).

In response to Edwards, Stoldt noted the City of Monterey's request for a District resolution calling for the SWRCB to lift the Cease-and-Desist Order (CDO) is not the avenue or the approach the District intends to pursue. Instead, Stoldt suggested it would be preferable to obtain a letter from the SWRCB granting an exemption from Condition 2 of the CDO to allow for at least 75 to 80 AF of water for housing. Stoldt informed Edwards a response letter to Mayor Roberson's letter dated March 17, 2022 will be drafted and sent over to the Roberson with the City of Monterey. A letter from Chair Paull to Twoney, Executive Director of the Association of Monterey Bay Area Governments was briefly discussed regarding Water Supply to Meet AMBAG's 6th Cycle Regional Housing Needs Allocation and Stoldt noted language found in the letter may be used to address and reply to Mayor Roberson's letter.

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

Suggest Items to be Placed on Future Agendas

Committee Member Riley: Requested a report on the District's engagement with the Salinas Valley Basin Groundwater Sustainability Agency

Adjournment

There being no further business, Chair Edwards adjourned the meeting at 4:37 p.m.

/ s/ Joel G. Pablo

Joel G. Pablo, Board Clerk

MPWMD Water Supply Planning Committee

Approved by the MPWMD Water Supply Planning Committee on October 3, 2022

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

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EXHIBIT 10-B

Final Minutes Water Supply Planning Committee of the Monterey Peninsula Water Management District Monday, August 1, 2022

Pursuant to AB 361, this meeting was conducted using teleconferencing means.

Call to Order: Chair Edwards called the meeting to order at 3:02 p.m.

Committee members present: Alvin Edwards, Chair
Karen Paull
George Riley

Committee members absent: None

Staff members present: David J. Stoldt, General Manager
Jonathan Lear, Water Resources Division Manager
Maureen Hamilton, Senior Water Resources Engineer
Joel G. Pablo, Board Clerk

District Counsel present: David C. Laredo and Fran Farina with
De Lay & Laredo

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

Action Items

1. Consider Adoption of April 4, 2022 Committee Meeting Minutes

Committee Member Paull, Edwards and Riley provided input on the draft meeting minutes.

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

A motion was made by Paull with a second by Riley to approve the April 4, 2022 Committee Meeting Minutes and to be further revised by District Staff. The motion passed on a vote of 3-Ayes (Edwards, Paull and Riley), 0-Noes and 0-Absent.

Discussion Items

2. Update on Sand City Wells

The committee heard a verbal report from David J. Stoldt, General Manager on an update on the Sand City Wells and answered committee questions. Stoldt directed attention to Exhibit 2-A: Location Map showing the proposed project location at the intersection of West Bay St. and Sand

Dunes Dr. for a future production well. He shared that the proposed well is slated to come on-line in late 2023 and is estimated to produce 200 to 300 gallons per minute (GPM) of brackish water with a 50% reject rate. *In response to Riley*, Stoldt stated the lesson learned with having the Sand City Desalination plant is the integral role freshwater plays in reducing salinity in the brackish water mix. Stoldt mentioned the desal plant was designed to have a peak production capacity of 300 acre-feet (AF) annually. Instead, Stoldt commented he has seen its production numbers decline since its first full year in operation and at its peak performance at 276 AF in 2011. Stoldt stated the numbers have steadily declined over the last four years averaging at approximately 172 AF / year through the end of 2021. He noted the water produced from the plant is brought into the main system and made available to California American Water. Edwards shared with District staff that the South of Tioga Project in Sand City has cleared a headway with the California Department Fish and Wildlife with continual progress being had and updates on the project being reported on regularly by local media. Edwards commented with the Tioga project on the horizon he would like to see the District and Sand City to have adequate water resources available for the proposed development.

Chair Edwards opened the public comment period. No comments were directed to the committee on this matter.

3. Progress on ASR-01 Well Discussions and Alternatives

David J. Stoldt, General Manager provided background information, an overview of the staff report and answered committee questions. Stoldt commented that the State Division of Drinking of Water (DDW) reviewed the contents of the July 9, 2021 letter submitted by Monterey One Water regarding the estimated underground retention time of the injected water to Aquifer Storage and Recovery Well No. 1. As a result of the letter and information provided by Pure Water Monterey partners, Stoldt mentioned the DDW instructed California American Water to discontinue extraction from the well effectively changing its status from active to inactive until minimum retention times and regulations are met. He mentioned the District, Monterey One Water and California American Water will negotiate and discuss potential physical solutions / remedial actions at their Tuesday, August 2, 2022 meeting. Stoldt directed attention and covered extensively each of the remedial actions found in the staff report at length with the committee members. *In response to Riley*, Stoldt made the following points: (1) the quickest solution or has been in progress is connecting the Peralta Well to the Monterey pipeline; (2) the easiest, having a mercury treatment in place to minimize the mercury readings at ASR Well No. 4 to increase production capacity; (3) the cheapest, is for the District to accelerate the two new injection wells for Pure Water Monterey than to build the proposed two new extraction wells by California American Water; and (4) build a substitute or replacement well.

Chair Edwards commented he would like all the parties to come together to discuss potential solution(s) on the matter on August 2, 2022 without having to go before the CPUC.

Chair Edwards opened public comments. No comments were directed to the committee on this matter.

4. District Engagement with the Salinas Valley Basin GSA

David J. Stoldt, General Manager addressed the committee on the District's engagement with the Salinas Valley Groundwater Sustainability Agency (GSA) and shared a few notes from the staff report. Stoldt shared Jon Lear, Water Resources Manager has been engaged with the GSA's work as a voting member of the Technical Advisory Committee (TAC), Seawater Intrusion Working

Group and Marina Coast GSA TAC for the Monterey-Sub-Area of the Salinas Valley. Committee Member Riley commented as a key partner with the GSA he hopes the District can participate in the future in either short- or long-range planning projects in an effort to become part of the solution on various water issues.

Chair Edwards opened public comment. No comments were directed to the committee on this matter.

5. Update on the Pure Water Monterey Expansion Construction Bid Schedule

David J. Stoldt, General Manager covered key financing information and dates on the Pure Water Monterey Expansion Construction Bid Schedule. Stoldt mentioned Pure Water Monterey Expansion has been approved for a Federal Water Infrastructure Finance and Innovation Act (WIFIA) loan valued at approximately \$60 million and recognized Monterey One Water's, Mike McCullough, Director of External Affairs and staff on their efforts in obtaining the loan. Stoldt reviewed the key dates of the bid schedule as noted in the staff report with a target date for a final decision on November 1, 2022. He explained a construction award will not occur until an approved and fully executed water purchasing agreement and loan is intact. *In response to Chair Edwards*, Stoldt and Paull explained there are alternative funding concepts and mechanisms that can be used without CalAm's support and as previously discussed at the MPWMD Water Supply Planning Committee on May 3, 2021.

Chair Edwards opened public comment. The following comments were directed to the Committee:

- (a) *John Tilley*: Inquired with District staff on an updated executive schedule and timeline for the Pure Water Monterey – Expansion project.

In response to Tilley, Stoldt mentioned an updated schedule may be released in the next several weeks. He explained a performance start date for the Pure Water Monterey Expansion would occur approximately 26 months out from the date the WPA is fully signed and executed.

No further comments were directed to the Committee. No further comments were directed to the committee.

6. Summary of Cal-Am Positions in Phase 2 of CPUC Application A.21-11-024

A summary of positions held by California American Water in Phase 2 of the California Public Utilities Commission (CPUC) *Case No. A.21-11-024* were discussed by Stoldt and the Committee.

Stoldt mentioned on July 20, 2022 California American Water submitted its initial testimony on Phase 2 of the application pertaining to the Supply and Demand on the Monterey Peninsula Water Supply Project (MPWSP). Discussion ensued with the General Manager, District Counsel and the Committee on CalAm's testimony and positions and as listed in the bulleted points in the staff report with a detailed focus on: (1) Supply and Demand numbers and forecasting; (2) discounting numbers as projected by the District and/or Monterey One Water for Aquifer Storage and Recovery, Pure Water Monterey plus its Expansion; and (3) their strategies, rationale and arguments on submitted testimony. Stoldt explained the District will submit testimony in regard to Aquifer Storage and Recovery and Monterey One Water will cover Pure Water Monterey and source waters. *In response to Paull*, Stoldt stated a further and expanded recycling wastewater plant can be expanded in the future to account for population growths that may occur. *In response*

to Chair Edwards, District Counsel Farina confirmed once testimony has been lodged with the CPUC on the matter the District can share the District's and CalAm's submissions with the general public. Farina mentioned currently and as mentioned by the Administrative Law Judge in the proceeding there is no Phase 3 as of yet.

Chair Edwards opened public comment. No comments were directed to the committee on this matter.

Suggest Items to be Placed on Future Agendas

Chair Edwards requested further updates on Aquifer Storage and Recovery Well No. 1 and Injection Well for the October 3, 2022 Water Supply Planning Committee Meeting.

Adjournment

There being no further business, Chair Edwards adjourned the meeting at 4:09 p.m.

/ s/ Joel G. Pablo

Joel G. Pablo, Board Clerk
MPWMD Water Supply Planning Committee

Approved by the MPWMD Water Supply Planning Committee on October 03, 2022
Received by the MPWMD Board of Director's on October 17, 2022

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ITEM: INFORMATIONAL ITEM/STAFF REPORTS**11. MONTHLY ALLOCATION REPORT****Meeting Date:** October 17, 2022 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program:** N/A
Line Item No.:**Prepared By:** Gabriela Bravo **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: As of September 30, 2022, a total of **26.471** acre-feet (**7.8%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **31.910** acre-feet is available to the Jurisdictions, and **28.333** acre-feet is available as public water credits.

Exhibit 11-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in September 2022 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in September 2022.

Exhibit 11-A also shows additional water available to each of the Jurisdictions. Additional water from expired or canceled permits that were issued before January 1991 are shown under “PRE-Paralta.” Water credits used from a Jurisdiction’s “public credit” account are also listed. Transfers of Non-Residential Water Use Credits into a Jurisdiction’s Allocation are included as “public credits.” **Exhibit 11-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 11-C**.

EXHIBITS**11-A** Monthly Allocation Report**11-B** Monthly Entitlement Report**11-C** District’s Water Allocation Program Ordinances

EXHIBIT 11-A
MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of September 2022

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Water	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	0.010 Cr	0.298	50.659	0.000	0.181	38.121	0.000	2.451	2.920
Monterey County	87.710	0.000	10.578	13.080	0.000	0.352	7.827	0.000	1.181	12.121
Pacific Grove	25.770	0.000	0.000	1.410	0.000	0.014	15.874	0.000	0.002	0.016
Sand City	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
Seaside	65.450	0.000	0.000	34.438	0.242	30.282	2.693	0.000	1.144	31.426
District Reserve	9.000	0.000	9.000	N/A			N/A			9.000
TOTALS	342.720	0.010 Cr	26.471	101.946	0.242	31.910	90.142	0.000	28.333	86.714

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	9.892	2.868

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

EXHIBIT 11-B
MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of September 2022

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. *	201.320	0.121	32.282	169.038
Del Monte Forest Benefited Properties (Pursuant to Ord No. 109)	163.680	0.495	70.456	93.224
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	0.616	117.567	262.433

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	0.193	7.946	198.054
Malpaso Water Company	80.000	0.497	21.148	58.852
D.B.O. Development No. 30	13.950	0.000	3.784	10.166
City of Pacific Grove	38.390	0.300	7.972	30.418
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 11-C

District's Water Allocation Program Ordinances

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ITEM: INFORMATIONAL ITEM/STAFF REPORT**12. WATER CONSERVATION PROGRAM REPORT****Meeting Date:** October 17, 2022 **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 occasionally conducted to verify compliance. Properties that do not require an inspection are issued a Conservation Certification document.

A. Changes of Ownership

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is compared against the properties that have submitted WCCs. Details on **121** property transfers that occurred between September 1, 2022, and September 30, 2022, were added to the database.

B. Certification

The District received **120** WCCs between September 1, 2022, and September 30, 2022. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

C. Verification

From September 1, 2022, and September 30, 2022, **98** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **98** verifications, **73** properties verified compliance by submitting certification forms and/or receipts. District staff completed **43** Site inspections. Of the **43** properties verified, **25 (58%)** passed.

D. CII Compliance with Water Efficiency Standards

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are sent notification of the requirements and a date that inspectors will be on Site to check the property. In September, District inspectors performed **12** verification inspections.

MPWMD is forwarding its CII inspection findings to California American Water (Cal-Am) for their verification with the Rate Best Management Practices (Rate BMPs) that are used to determine the appropriate Non-Residential rate division. Compliance with MPWMD's Rule 143 achieves Rate BMPs for indoor water uses. Properties with landscaping must also comply with Cal-Am's outdoor Rate BMPs to avoid Division 4 (Non-Rate BMP Compliant) rates. In addition to sharing information about indoor Rate BMP compliance, MPWMD notifies Cal-Am of properties with landscaping. Cal-Am then conducts an outdoor audit to verify compliance with the Rate BMPs. During September 2022, MPWMD referred **12** properties to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waste occurrences at www.mpwmd.net or www.montereywaterinfo.org. There were **17** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

II. WATER DEMAND MANAGEMENT

A. Permit Processing

As of July 6, 2021, the District has been processing both electronic and in person applications for Water Permits. Information can be found at <https://www.mpwmd.net/regulations/water-permits>.

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **76** Water Permits from September 1, 2022, and September 30, 2022. **Thirteen** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpasos Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account. In addition to those Water Permits issued in September, **14** Meter Permits and **two** Hydrant Meter Permits were issued. All Water Permits have a disclaimer informing applicants of the Cease-and-Desist Order against California American Water and that MPWMD reports Water Permit details to California American Water.

District Rule 24-3-A allows the addition of a second Bathroom in an existing Dwelling Unit. Of the **76** Water Permits issued from September 1, 2022, and September 30, 2022, **two** were issued under this provision.

B. Permit Compliance

District staff completed **no** conditional Water Permit finals during September 2022. Staff completed **65** site inspections. **Thirty-eight** properties passed and **seven** failed due to unpermitted fixtures.

C. Deed Restrictions

District staff prepares deed restrictions that are recorded on the property title to provide notice of District Rules and Regulations, enforce Water Permit conditions, and provide notice of public access to water records. In April 2001, the District Board of Directors adopted a

policy regarding the processing of deed restrictions. District staff provided Notary services for **53** Water Permits with deed restrictions.

D. Rebates

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

<https://www.mpwmd.net/rules/Rule141-TableXIV-1.pdf>. Below is the rebate information for September 2022.

REBATE PROGRAM SUMMARY		September-2022				2022 YTD		1997 - Present	
I.	Application Summary								
A.	Applications Received	68				608		29,841	
B.	Applications Approved	54				524		23,363	
C.	Single Family Applications	52				491		26,293	
D.	Multi-Family Applications	2				35		1,599	
E.	Non-Residential Applications	0				2		360	
II.	Type of Devices Rebated	Number of Devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid	Year to Date Estimated AF	
A.	High Efficiency Toilet (HET)	10	\$750.00	0.050000	16,293	92	\$6,375.00	0.46000	
B.	Ultra HET	3	\$375.00	0.030000	9,776	30	\$3,600.00	0.30000	
C.	Toilet Flapper	1	\$15.00	0.000000	0	1	\$15.00	0.00000	
D.	High Efficiency Dishwasher	4	\$500.00	0.012000	3,910	94	\$13,950.00	0.28200	
E.	High Efficiency Clothes Washer - Res	29	\$14,375.00	0.466900	152,140	268	\$133,670.60	4.31480	
F.	High Efficiency Clothes Washer - Com			0.000000	0	0	\$525.00	0.00000	
G.	Instant-Access Hot Water System	2	\$400.00	0.010000	3,259	10	\$1,897.00	0.05000	
H.	Zero Use Urinals			0.000000	0	0	\$0.00	0.00000	
I.	Pint Urinals			0.000000	0	0	\$0.00	0.00000	
J.	Cisterns	3	\$1,850.00	0.000000	0	22	\$31,691.00	0.00000	
K.	Smart Controllers	1	\$100.00	0.000000	0	19	\$1,865.75	0.00000	
L.	Rotating Sprinkler Nozzles			0.000000	0	0	\$0.00	0.00000	
M.	Moisture Sensors	1	\$25.00	0.000000	0	1	\$25.00	0.00000	
N.	Lawn Removal & Replacement			0.000000	0	0	\$900.00	0.00000	
O.	Graywater			0.000000	0	0	\$0.00	0.00000	
R.	Other - Smart Flowmeters	2	\$348.00	0.000000	0	26	\$4,805.00	0.00000	
III.	TOTALS	56	\$18,738.00	0.568900	185,377	563	\$199,319.35	5.40680	
IV.	TOTALS Since 1997					Paid Since 1997: \$	6,558,074	597.6 Acre-Feet Per Year Saved Since 1997 (from quantifiable)	

ITEM: INFORMATIONAL ITEM/STAFF REPORT**13. CARMEL RIVER FISHERY REPORT FOR SEPTEMBER 2022****Meeting Date: October 17, 2022 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Beverly Chaney Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

AQUATIC HABITAT AND FLOW CONDITIONS: September remained mostly dry with the river front in the Robinson Canyon Bridge reach in Mid-Valley. Releases from Los Padres Reservoir were reduced to 4.0 cfs and the reservoir's water surface elevation (WSE) dropped to 1,018 feet (full is ~1,040'). Steelhead rearing conditions downstream of Rosie's Bridge in the Village were generally "poor".

September's mean daily streamflow at the Sleepy Hollow Weir ranged from 2.5 to 8.3 cfs (monthly mean 3.85 cfs) resulting in 221 acre-feet (AF) of runoff, while the Highway 1 gage was dry.

There was 0.40 inches of rain in September as recorded at the San Clemente gauge. The rainfall total for WY 2022 (which ended September 30, 2022) was 13.22 inches, or 63% of the long-term year-to-date average of 21.05 inches.

CARMEL RIVER LAGOON: During September, the lagoon water surface elevation (WSE) dropped to ~3.3 feet before rebounding slightly at the end of the month to 3.5 feet (North American Vertical Datum of 1988; NAVD 88) (See graph below).

Water quality depth-profiles were conducted at five sites on September 27, 2022, while the lagoon mouth was closed, water surface elevation was 3.45 feet, and river inflow was zero. Steelhead rearing conditions were generally "poor" as the lagoon was very shallow with large amounts of aquatic vegetation, and low dissolved oxygen (DO) levels throughout.

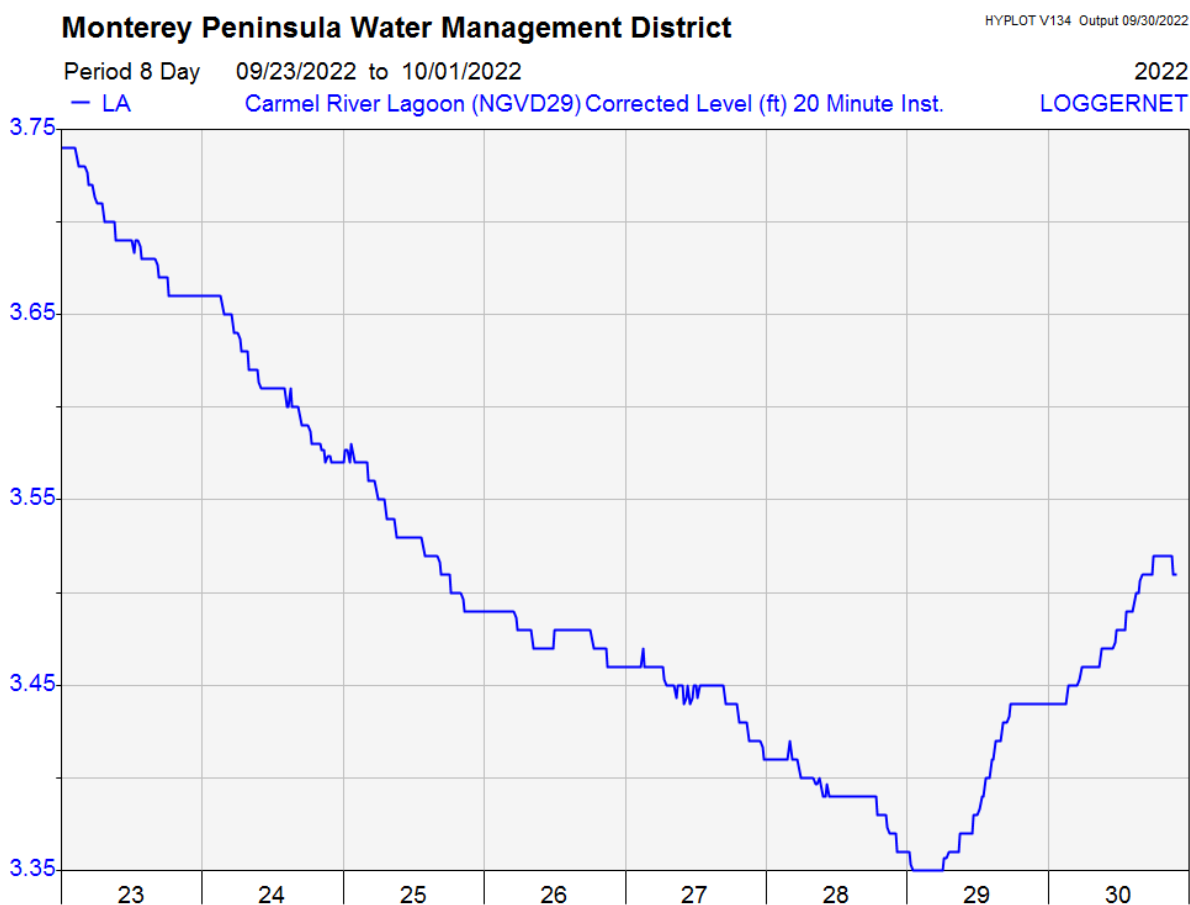
CARMEL RIVER STEELHEAD RESCUES: Mainstem rescues began on June 1, 2022. In September, Staff completed two days of fish rescues in isolated pools. For 2022 dry season: 14,212 steelhead were rescued including: 13,334 young-of-the-year (YOY), 777 age 1+ fish, two kelts, with 99 mortalities (0.7%). Most of the fish were transported to the Sleepy Hollow Steelhead Rearing Facility.

SLEEPY HOLLOW STEELHEAD REARING FACILITY: The first rescued fish were brought to the facility June 1, 2022. Due to the very small size of many of the fish, the fry/YOY

were quarantined and held in the rectangular “rearing troughs” until they were large and healthy enough to be transferred to the rearing channel.

Through the end of September, a total of 10,645 fish have been stocked in the rearing channel including: 9,928 (small/medium size YOY) and 717 age 1+ fish. There have been 1,019 mortalities (10%).

Carmel River Lagoon Plot:



ITEM: INFORMATIONAL ITEM/STAFF REPORT**14. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT****Meeting Date: October 17, 2022 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****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 14-A shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **October 1, 2022**. This system includes the surface water resources in the Carmel River Basin, the groundwater resources in the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. **Exhibit 14-A** is for Water Year (WY) 2022 and focuses on three factors: rainfall, runoff, and storage. The rainfall and Streamflow values are based on measurements in the upper Carmel River Basin at Sleepy Hollow Weir.

Water Supply Status: Rainfall through **September** 2022 totaled **0.40 inches** and brings the cumulative rainfall total for WY 2022 to **13.23 inches**, which is **63%** of the long-term average through **September**. Estimated unimpaired runoff through **September** totaled **0 acre-feet (AF)** and brings the cumulative runoff total for WY 2022 to **22,894 AF**, which is **34%** of the long-term average through **September**. Usable storage for the MRWPRS was **25,740 acre-feet**, which is **92%** of average through **September**, and equates to **78%** 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 4,110 AF of water from the Carmel River in WY 2022. Through **September**, using the CDO accounting method, Cal-Am has produced **4,085 AF** from the Carmel River (including ASR capped at 600 AF in Table 13, and Mal Paso in Calendar Year 2022.) In addition, under the Seaside Basin Decision, Cal-Am is allowed to produce 1,474 AF of water from the Coastal Subareas and 0 AF from the Laguna Seca Subarea of the Seaside Basin in WY 2022. Through **September**, Cal-Am has produced **1,651 AF** from the Seaside Groundwater Basin. Through **September**, **71 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **0 AF** have been recovered for customer use, **68 AF** have been diverted under Table 13 water rights, and **3,683 AF** of Pure Water Monterey recovered. Cal-Am has produced **9,516 AF** for customer use from all sources through **September**. **Exhibit 14-B** shows production by source. Some of the values in this report may be revised in the future as Cal-Am finalizes their production values and monitoring data.

EXHIBITS**14-A Water Supply Status: October 1, 2022****14-B Monthly Cal-Am production by source: WY 2022**

EXHIBIT 14-A

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

Factor	Oct – Sep 2022	Average To Date	Percent of Average	Oct – Sep 2021
Rainfall (Inches)	13.23	20.91	63%	10.85
Runoff (Acre-Feet)	22,894	67,543	34%	16,193
Storage ⁵ (Acre-Feet)	25,740	27,865	92%	25,250

Notes:

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at Sleepy Hollow Weir average 21.22 inches and 67,246 acre-feet, respectively. Annual values are based on the water year that runs from October 1 to September 30 of the following calendar year. The rainfall and runoff averages at the Sleepy Hollow Weir site are based on records for the 1922-2020 and 1902-2022 periods respectively.
2. The rainfall and runoff totals are based on measurements through the dates referenced in the table.
3. Storage estimates refer to usable storage in the Monterey Peninsula Water Resources System (MPWRS) that includes surface water in Los Padres and San Clemente Reservoirs and ground water in the Carmel Valley Alluvial Aquifer and in the Coastal Subareas of the Seaside Groundwater Basin. The storage averages are end-of-month values and are based on records for the 1989-2022 period. The storage estimates are end-of-month values for the dates referenced in the table.
4. The maximum storage capacity for the MPWRS is currently 33,130 acre-feet.

Production vs. CDO and Adjudication to Date: WY 2022

(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		Ajudication	ASR	PWM	Table 13 ⁷		Sand City ³
			Seca		Compliance					
Target	5,670	1,075	0	1,075	6,745	71	3,422	174	300	3,967
Actual ⁴	4,085	1,513	138	1,651	5,737	0	3,683	68	120	3,872
Difference	1,585	-438	-138	-576	1,008	71	0	106	180	95
WY 2021 Actual	4,896	1,479	187	1,541	6,563	0	3,027	17	147	3,191

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, 71 AF and 68 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 2022

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	PWM Recovery	Table 13	Sand City	Mal Paso	Total
Oct-21	438	41	0	344	0	0	7	829
Nov-21	407	45	0	234	0	6	7	698
Dec-21	361	39	0	162	42	28	7	639
Jan-22	268	39	0	301	26	2	3	639
Feb-22	231	40	0	419	0	0	3	692
Mar-22	253	92	0	400	0	24	4	772
Apr-22	249	87	0	400	0	17	6	758
May-22	309	190	0	350	0	25	5	878
Jun-22	342	292	0	249	0	6	0	889
Jul-22	370	286	0	274	0	0	5	934
Aug-22	370	278	0	287	0	0	0	935
Sep-22	350	225	0	264	0	13	0	852
Total	3,947	1,651	0	3,683	68	120	47	9,516
WY 2021	4,723	1,667	0	3,027	17	147	61	9,641

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

ITEM: INFORMATIONAL ITEM/STAFF REPORT**15. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT****Meeting Date:** October 17, 2022 **Budgeted:** N/A**From:** Dave Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Thomas Christensen **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.

IRRIGATION OF RIPARIAN VEGETATION: The supplemental watering of riparian restoration plantings is currently being carried out for the summer and fall season at seven Monterey Peninsula Water Management District (District) riparian habitat restoration sites. The following irrigation systems were in use May through September: Sleepy Hollow, deDampierre, Trail and Saddle Club, Begonia, Schulte, Valley Hills, and San Carlos.

Water Use in Acre-Feet 2022 (AF)(preliminary values subject to revision)

January - March	0.20 AF
April - June	0.70
July – September	<u>3.12</u>
Year-to-date	4.02 AF

MONITORING OF RIPARIAN VEGETATION: Starting in June 2022, staff recorded monthly observations of canopy vigor on target willow and cottonwood trees to provide an indication of plant water stress and corresponding soil moisture levels. Four locations (Rancho Cañada, San Carlos, Valley Hills, and Schulte) are monitored monthly for canopy ratings based on a scale from one to ten. This scale evaluates characteristics such as yellowing leaves and percentages of defoliation (see scale on **Exhibit 15-A**). A total of 12 willows and 12 cottonwoods at these locations provide a data set of established and planted sample trees that are representative of trees in the Carmel River riparian corridor. Combined with monthly readings from the District's array of monitoring wells and pumping records for large-capacity Carmel Valley wells in the California American Water service area, the District's monitoring provides insight into the status of soil moisture through the riparian corridor.

Current monitoring results for the 2022 monitoring season to date show that riparian vegetation is experiencing moisture stress levels associated groundwater extraction and the lack of rainfall. It is important to note that irrigation around municipal wells is carried out to help alleviate impacts from water extraction. The graph in **Exhibit 15-A** shows average canopy ratings for willows and

cottonwoods in selected restoration sites in lower Carmel Valley. The graph in **Exhibit 15-B** shows impacts to water table elevations. The types of monitoring measurements made during June through September are as follows:

Monitoring Measurement

Canopy ratings	(See Exhibit 15-A for trends.)
Groundwater levels (monitoring wells)	(See Exhibit 15-B for trends.)
Groundwater pumping (production wells)	

OTHER TASKS PERFORMED SINCE THE JULY 2022 QUARTERLY REPORT:

1. **Carmel River Vegetation Management:** In September, District staff carried out vegetation management at five sites where downed trees or encroaching vegetation created blockages in the active channel. The work was carried out with permits from the U.S. Army Corps of Engineers, NOAA Fisheries (NMFS), U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, and the Regional Water Quality Control Board. The work will reduce the risk of streambank erosion along riverfront properties.

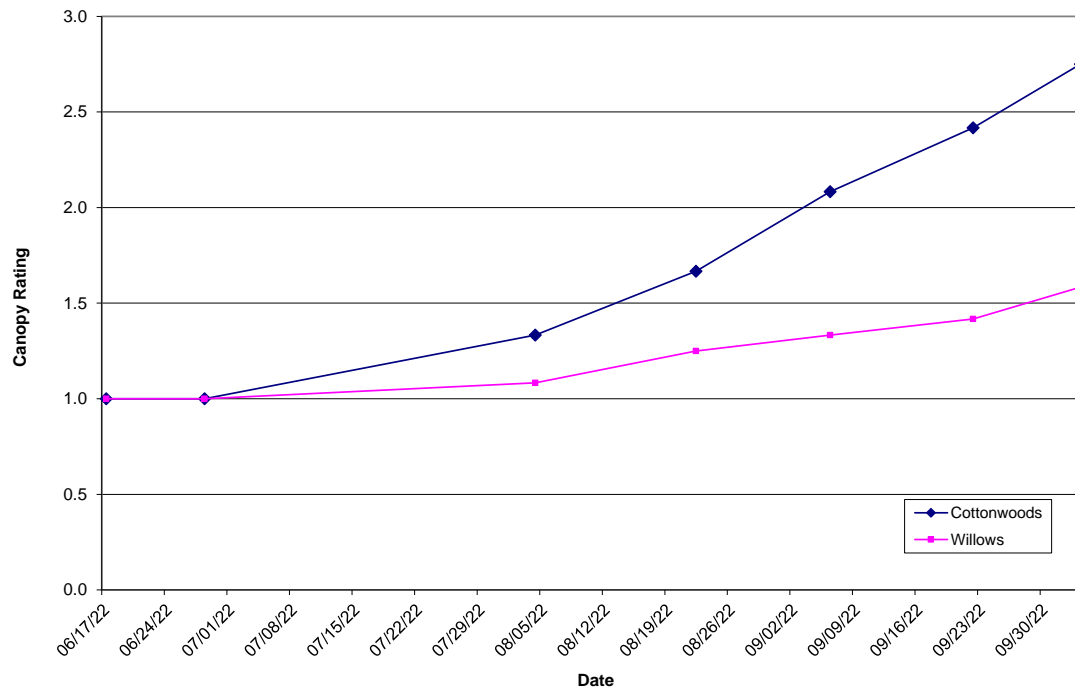
EXHIBITS

15-A Average Willow and Cottonwood Canopy Rating

15-B Depth to Groundwater

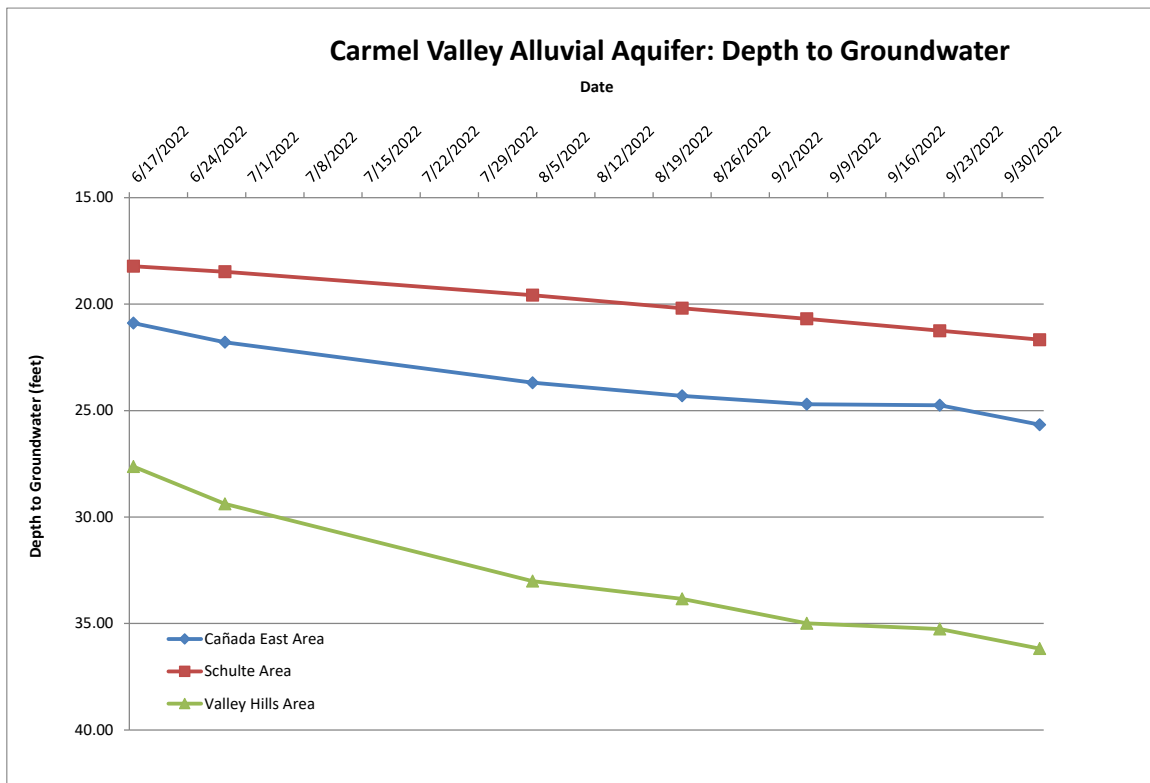
EXHIBIT 15-A

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



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

EXHIBIT 15-B



ITEM: INFORMATIONAL ITEM/STAFF REPORT**16. QUARTERLY WATER USE CREDIT TRANSFER STATUS REPORT**

Meeting Date:	October 17, 2022	Budgeted:	N/A
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From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
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Prepared By:	Gabriela Bravo	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.

Information about Water Use Credit transfer applications will be reported as applications are received. There are no pending Water Use Credit transfer applications.



Supplement to 10/17/2022 MPWMD Board Packet

Attached are copies of letters sent and/or received between **September 14, 2022 and October 11, 2022**. These letters are listed in the **October 17, 2022** Board packet under Letters Received.

Author	Addressee	Date	Topic
Melodie Chrislock	Board of Directors and General Manager	September 28, 2022	Letters to the Editor on the Cal Am's Proposed Desal
David J. Stoldt	Paul Bruno	September 29, 2022	August 5, 2022 Draft Technical Memorandum- Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions
Gregory Gervais	Maureen Hamilton	September 2022	Federal Facility Excellence in Site Reuse Award
Gregory Gervais	Monterey Peninsula Water Management District	September 2022	Federal Facility Excellence in Site Reuse Award
Gary Cursio and Chris Sommers	David J. Stoldt	September 16, 2022	Letter of Appreciation for the District's Sponsorship of the 32 nd Annual Nick Lombardo Memorial Golf Tournament
California American Water	Board of Directors and General Manager	October 5, 2022	Press Release: Announcement of Phasing for Monterey Peninsula Water Supply Project
David J. Stoldt	Paul Bruno	October 7, 2022	August 5, 2022 Draft Technical Memorandum- Hybrid Water Budget Analyses of Basin Replenishment Options and Alternate Assumptions

Joel Pablo

From: mwchrislock@redshift.com
Sent: Wednesday, September 28, 2022 7:11 AM
To: Alvin Edwards; Amy Anderson; Clyde Roberson; Dave Stoldt; George Riley; Joel Pablo; Karen Paull; District 5; SAFWAT MALEK
Subject: Letters to the Editor on Cal Am's proposed desal

Monterey Herald - Letters to the Editor | September 24, 2022

Comparing Cal Am's desal to regional desal project

This is in response to the Sept. 21 letters on water supply issues. Water supply issues? Tourism vs. Residents vs. Agriculture — what else is new? Can't we all just get along? Maybe we should resolve our differences on the basis of which group is paying the most property taxes. Or which group is paying the most for each gallon of water it uses. Why should residents pay for a desal plant that the tourism industry wants? Why should Marina bear the burden of a desal plant that provides no water or anything else for it and that Monterey Peninsula residents do not want or need?

Why should Monterey Peninsula ratepayers have to pay for yet even more water than they use or can afford?

Where was the tourism industry when Cal Am and Monterey County killed the regional desal project that would have provided water to both Marina and the Monterey Peninsula for a small fraction of the cost of Cal Am's proposed desal plant, a plant that creates more questions than answers — a plant seeking approval for over 10 years without success when the regional desal project had achieved approval in less than a single year?

The clock is ticking? Maybe, when we really need new water, we should go back to the future. It would take many fewer tick-tocks.

— *Ron Weitzman, President of the Water Ratepayer Association of the Monterey Peninsula*

A regional approach is needed on water issues

Recent Herald letters convey the same “stuck” approach that prevents innovation and neighborly consideration. A myopic approach that only considers the Monterey Peninsula fails to consider the broader issue.

The Salinas Valley Groundwater Basin is on the state's critically overdrafted groundwater basin list. Self-centered concerns will not fulfill the regional vision we need. Agriculture interests use the majority of our water, so they must be part of the regional water supply brainstorming initiative Supervisor Mary Adams is spearheading.

Expounders forget that the Cal Am desal project would permanently destroy the endangered plover and environmentally sensitive habitat area in Marina, while potentially harming the Monterey Bay marine sanctuary.

The desal project description hides the fact that the slant wells, by design, induce seawater intrusion and also extract fresh water from Marina's Dune Sand aquifer. Yet the desal project would not provide a single drop of water to Marina. This desal project further exacerbates water issues, it does not solve them.

Can the agricultural community work more to collaborate and cooperate in fairness to their neighbors? State Sen. John Laird pointed out the environmental injustice to Marina.

Law prohibits the Salinas Valley Groundwater Basin aquifer water from being transported outside the area. Why isn't this project being proposed for the Carmel or Monterey beaches instead?

Cal Am's desal seems sheer folly. We need both a regional and a reasonable approach that does no harm to any neighbor. Can we please work together with wisdom, kindness, and a broader regard for each other? We must!

— *Margaret-Anne Coppernoll, Marina*

Monterey Herald - Letters to the Editor | September 20, 2022

A bad neighbor

Cal Am's a bad neighbor! Here's why ... For years you stole water from the Carmel River which is bad for the fish and other wildlife, bad for the environment, and bad for consumers.

Cal Am you're a bad neighbor! You overcharge Cal Am users. We have the highest water bills in the nation. Your tiered system has failed which, in turn, fails the average consumer.

Cal Am you're a bad neighbor! You might have influenced LAFCO to overturn a legitimate vote by stopping Measure "J" — the proposition to buy you out so we can

get rid of your shenanigans. Way over 50% of your ratepayers voted to boot you off the Peninsula. Yet the overwhelming vote of the people meant nothing to LAFCO. Two independent studies concluded that it is feasible to buy you out. The LAFCO vote is a sham — why are people down county voting to stop a Peninsula election? Can you imagine what they would say if we overturned something they overwhelmingly voted for?

Cal Am you're a bad neighbor! With all this under your belt, you should be ashamed to stay here. You should put your tail between your legs and scam. You have quite a collection of being a bad neighbor. So why should we believe in anything Cal Am says or does? We are not for anything you want to do in our neighborhood. Adios!

— *Dan Presser, Carmel*

Monterey Herald - Letters to the Editor | September 18, 2022

Buy out Cal Am

If the Monterey Peninsula Water Management District buys Cal Am, it will be paid for on our water bills in place of Cal Am's profit, and be financed with a low-interest 20-30 year loan. The system will operate to benefit local ratepayers and communities, and we'll have a voice in the way it's governed and managed.

It can operate more affordably because public water agencies do not charge profits and are eligible for grants and low-cost financing that are not available to for-profit corporations. Recently, MPWMD and M1Water have qualified for about \$30 million in grants for the Pure Water Monterey recycled water projects. This lowers the cost of water to us.

The Public Utilities Commission allows for-profit corporations to charge the costs of capital projects and financing to ratepayers. So, if Cal Am owns the system and builds a desal plant, we ratepayers will pay for the desalinated water and the costs of building and financing the plant, plus profits. But after we've paid for all that, Cal Am will still own it.

It's easy to see why 84% of California residents get their water from public water agencies. Let's join them.

— *Marli Melton, Carmel Valley*

Monterey Herald - Letters to the Editor | August 18, 2022

Cal Am Buyout is Necessary

In a recent Herald article, Cal Am's new manager of external affairs, Josh Stratton, claimed that the Water Management District should focus on water solutions instead of wasting money on the Cal Am buyout.

By law, the Water Management District must proceed with a buyout of Cal Am. Would Stratton have them break the law and ignore the voter-mandated buyout of Cal Am?

The Water Management District's record has proven it's quite capable of developing new water projects and pursuing the voter-mandated buyout of Cal Am at the same time.

Stratton seems to overlook the fact that the Water Management District in partnership with Monterey One has given us the 3,500 acre-feet of new water from Pure Water Monterey that allowed Cal Am to stop overpumping the Carmel River and meet the state's cease and desist order last January.

Stratton also claims the buyout is unnecessary. Is it? How else will we get control of our water costs?

To be feasible and in the public interest the Water Management District has to show water costs would be lower under their ownership. Remember, the buyout cost is not added to the current cost of water because the lack of profit under public ownership offsets the buyout cost.

Staying with Cal Am ownership is a risk we can't afford. It means ever escalating water bills. The only motivation for Cal Am is profit. This is the problem with private investor-owned water systems. And it is the reason that 84% of Californians get their water from locally owned public water systems.

— *Susan Schiavone, board member Public Water Now Seaside*

No Cal Am desal

In response to the article "Tensions high at Cal Am community meeting" I would like to ask this: how would you like to spend countless hours of your life in public meetings, CPUC hearings, Coastal Commission hearings, supervisor meetings, online, in-person, and via phone, repeating the same thing over and over to Cal Am; "We don't want your desal project, it's too expensive, working-class people can't afford it!" Only to have Cal Am reply nonsensically "We need more community input!" Enough already.

The community has spoken loud and clear; no Cal Am desal. The Cal Am desal is too expensive, it's detrimental to our neighbors in Marina, Cal Am doesn't have the water rights, and the "slant well technology" is unproven for desal intake. How many times do we have to repeat ourselves in these so-called "community forums" where people have to hand write their comments on cards that will just end up in Cal Am's trash bin like all our previous comments? I feel especially sorry for the Cal Am employees forced to be spokespersons at tables in said forums." They have to represent a company that is gouging its customers with the highest water prices in the US, and wants to double down on those prices with an unneeded desal plant.

— *Saoirse Folsom, Carmel Valley*



VIA EMAIL

September 29, 2022

Mr. Paul Bruno, Chair
Seaside Groundwater Basin Watermaster
PO Box 51502
Pacific Grove, CA 93950

RE: August 5, 2022 Draft Technical Memorandum – Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions

Dear Mr. Bruno:

The Monterey Peninsula Water Management District previously disagreed with the assumptions underlying Montgomery & Associates modeling work related to an additional replenishment water analysis.

The August 5, 2022 Draft Technical Memorandum documents “Development of an alternative set of baseline supply and demand assumptions based primarily on Cal-Am’s Urban Water Management Plan (UWMP), with some additional assumptions provided by Cal-Am and the City of Seaside.” This is troubling because Cal-Am has admitted there is a 400 acre-foot per year (AFY) error in the demand forecast in the UWMP.

The UWMP demand forecast states: “water use for fire service increased in 2019 and 2020 to an average of 400 AFY, when prior to 2019 the average fire demand was only 3 AFY. The increase is attributed to both better metering of fire services in 2019 and 2020, when some demand may have been tracked as water loss previously, as well as a warmer and drier climate increasing fire potential and lengthening the fire season, resulting in more fire flow use. Water use for fire service is projected to remain at about 400 AFY in the future.” The 400 AFY was included in the UWMP demand numbers as shown in the table below.

Table 4-4. Projected Demands, 2025 through 2045

	BASELINE (2016-2020)	2025	2030	2035	2040	2045
Demographics						
Service Area Population	91,717	93,577	95,437	97,297	99,157	101,017
Annual Population Growth Rate		0.41%	0.40%	0.39%	0.38%	0.38%
Service Area Employment	64,307	67,020	69,732	72,445	75,157	77,870
Residential Demand						
Residential Demand (GPCD)	48	48	52.8	52.8	52.8	52.8
Residential Demand (AF)	4,931	5,031	5,644	5,754	5,865	5,975
Non-Residential Demand						
Non-Residential Demand (AF)	4,372	4,556	4,741	4,925	5,110	5,294
Fire Service Demand (AF)		400	400	400	400	400
Other Future Demand						
Pebble Beach Entitlements (AF)		0	65	130	195	260
Tourism Rebound (AF)		250	500	500	500	500
Legal Lots of Record (AF)		0	300	520	740	960
Losses		205	233	245	256	268
Average Annual Demand (AFY)		10,443	11,883	12,474	13,065	13,656

Mr. Paul Bruno
Page 2 of 2
September 29, 2022

At the same time the Technical Memorandum was being produced, Cal-Am realized the Fire Service Demand numbers were incorrect, as evidenced in the attachment hereto. Being off by 400 AFY can cause an error of as high as 40% in the predicted calculated annual Net Recharge requirement.

Additionally, the District alleges the assumptions for Pebble Beach Entitlements, Tourism Rebound, and Legal Lots of Record in the demand forecast as shown above are actually double-counted because housing and economic growth are already captured in the Residential Demand line in the table (due to population growth) and the Non-Residential Demand line. Such double-counting will compound the error in calculated annual Net Recharge requirement.

More effort should be undertaken to develop assumptions for this effort that are reliable and supportable, and without recognized errors, so that the model results are meaningful. The Technical Memorandum conclusions are meaningless and the analysis should be re-run without errors in the assumptions.

Sincerely,



David J. Stoldt
General Manager
Monterey Peninsula Water Management District

California-American Water Company

APPLICATION NO. A.21-11-024
DATA REQUEST RESPONSE

Response Provided By: Ian C. Crooks
Title: Senior Director of Engineering & Business Development
Address: California American Water
 655 West Broadway, Suite 1410
 San Diego, CA 92101
MPWMD Request: MPWMD DS 01 Q001 - Fire Service Water Use
Date Received: August 1, 2022
Date Response Due: August 12, 2022

DATA REQUEST:

In Attachment A to the Phase 2 Direct Testimony of Ian C. Crooks at page 4-7 the following statement is made;

“Additionally, water use for fire service increased in 2019 and 2020 to an average of 400 AFY, when prior to 2019 the average fire demand was only 3 AFY. The increase is attributed to both better metering of fire services in 2019 and 2020, when some demand may have been tracked as water loss previously, as well as a warmer and drier climate increasing fire potential and lengthening the fire season, resulting in more fire flow use. Water use for fire service is projected to remain at about 400 AFY in the future.”

1. Please provide the data supporting the 2019 water use for fire service.

CAL-AM'S RESPONSE

California American Water incorporates its General Objections as if each was set forth fully here. California American Water further objects to the extent this request is vague and ambiguous, particularly as to the phrase: “data supporting the 2019 water use for fire service.” Subject to, but without waiving, these objections, California American Water responds:

Due to the appearance of high water use for metered fire service connections in 2019 and 2020, an internal data review was conducted, and it was concluded that some of the metered fire service use was not calculated correctly by the billing system due to reverse water flow through customer backflow devices. This reverse flow caused the meter dial to turn back approximately one numerical unit, which the billing system interpreted as the meter turning over and thus reported a high usage, in other words,

California-American Water Company

APPLICATION NO. A.21-11-024
DATA REQUEST RESPONSE

resulted in “phantom usage.” Please see the table below showing the data for 2019 and 2020 determination of “phantom usage” and corrected metered fire service.

For my testimony in this proceeding, this does not change 2019 and 2020 total system demand as it is determined from the actual total water supply produced and delivered to the system, including fire flow use. Water use designated as fire service is part of the non-revenue water category and any meter inaccuracies for fire service are recategorized as water loss. In Table 5 of my testimony, fire service use is included in the non-residential demand category and fire service is not called out specifically going forward as the demand projections are based on historical and future total system production, which includes fire flow, water losses, etc.

Meter Fire Service Connections
Usage and Adjusted Usage
2019 and 2020

Monterey Main Fire Service (AF)	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total 2019
Uncorrected Fire Service (AF)	0.66	0.59	-1.08	0.27	0.18	46.17	23.18	104.70	23.18	53.97	23.19	61.67	336.68
Remove Phantom Fire Service (AF)	0.00	0.00	0.00	0.00	0.00	-45.91	-22.96	-104.51	-22.95	-53.65	-22.95	-61.38	-334.30
Corrected Fire Service (AF)	0.66	0.59	-1.08	0.27	0.18	0.27	0.23	0.20	0.23	0.32	0.23	0.29	2.39

Monterey Main Fire Service (AF)	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total 2020
Uncorrected Fire Service (AF)	53.93	107.69	-137.42	130.70	-69.78	7.92	0.49	69.16	130.44	-76.49	23.08	199.26	438.99
Remove Phantom Fire Service (AF)	-53.64	-107.22	137.91	-130.23	68.85	-7.47	0.00	-68.86	-130.24	76.60	-22.96	-199.10	-436.36
Corrected Fire Service (AF)	0.29	0.47	0.49	0.47	-0.93	0.45	0.49	0.30	0.20	0.11	0.13	0.17	2.63

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2020

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Former Fort Ord

Gregory Gervais
Federal Facilities Restoration and Reuse Office

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2020

Presented to

Monterey Peninsula Water Management District

In recognition of your key role in developing innovative cleanup initiatives to accelerate early cleanup, transfer, and reuse opportunities that became a catalyst for economic growth and community revitalization.

Former Fort Ord


Gregory Gervais

Federal Facilities Restoration and Reuse Office



MONTEREY COUNTY
HOSPITALITY
ASSOCIATION

RECD 9/25/2022

MPWHD
J. P. Poble

September 16, 2022

David Stoldt
Monterey Peninsula Water Management District
PO Box 85
Monterey, CA 93942

Dear David Stoldt,

On behalf of the Monterey County Hospitality Association (MCHA) Board of Directors and the Golf Committee, we want to thank you for your generous sponsorship of the 32nd Annual Nick Lombardo Memorial Golf Tournament held at Quail Lodge & Golf Club on August 31st.

Monterey County Hospitality Association represents and advocates for more than 20,000 employees of hospitality and related businesses throughout the county. The Golf Tournament is one of two major fundraisers for MCHA, and with your generous support, we can continue to fund programs vital to the success of our industry and community.

Our Government Affairs Committee continues to work diligently with local, county and state officials to solidify a viable water solution for the Monterey Peninsula, in addition to advocating for workforce housing, transportation and other important issues affecting our industry. Through our training & development programs, member events and community collaborations, we continue to develop opportunities for hospitality career advancement, employee recognition and industry engagement at all levels.

Support from our community is a key element to the success of our organization. A sincere thank you for sponsoring and participating in our event this year. We look forward to working with you throughout the remainder of the year for a successful 2022 and beyond.

Best Regards,

Gary Cursio
Golf Tournament Co-Chair

Best Regards,

Chris Sommers
Golf Tournament Co-Chair

Federal Tax ID: 501c(6) 51-0136406

California American Water Announces Phasing for Monterey Peninsula Water Supply Project

The Monterey Peninsula Water Supply Project (MPWSP) proposes project phasing plan to ensure reliable water supply now and in the future

MONTEREY, Calif. - (October 5, 2022), California American Water is announcing a phasing plan for the Monterey Peninsula Water Supply Project, part of a multipronged effort to increase water supply to the Monterey Peninsula through desalination, aquifer storage and recovery, and a groundwater replenishment project in the region. The application currently before the California Coastal Commission calls for development of ocean slant wells to supply a 6.4 million gallon per day desalination plant. The company is proposing a multi-phase plan to develop needed water supplies with the first phase of the desalination facility producing 4.8 million gallons per day.

“The Monterey Peninsula has been in need of additional drought-proof, reliable water supplies for over 25 years,” said Ian Crooks, Vice President of Engineering for California American Water. “Building the first phase of MPWSP will protect the Carmel River ecosystem and create a drought-proof new water supply for our service area.”

California American Water has been conducting extensive outreach to customers, local officials and residents throughout Monterey County. Efforts have included 10 public workshops since August as well as individual meetings and presentations to interested stakeholders. Feedback on the project has highlighted community support for a drought-proof water supply that will allow for new housing construction and support economic development. It has also illuminated the benefits of a flexible phased approach to start the project that can ultimately accommodate future needs and provide opportunity for regional public participation when additional supplies are needed in California American Water’s service area or elsewhere in the region.

The desalination facility will include a system of ocean slant wells constructed on a former industrial sand mining site to draw unusable seawater, deliver that saline water to a desalination plant located in Monterey County, and send desalinated water directly to the Monterey Peninsula for municipal uses within California American Water’s service area. Ocean slant wells are the preferred method to obtain water for desalination since they draw ocean water from beneath the coastal subsurface, which avoids harm to the environment and marine life. Reducing the initial size of the facility will limit the number of ocean slant wells needed at this time and help control construction costs while ensuring that the project can accommodate future water resource needs.

“Phasing the MPWSP strikes the right balance to meet the critical need for sufficient and reliable drought-proof water supply to meet demands in the near term while allowing for additional supply as it becomes needed over the next 30 years,” said Crooks. “In addition, as we heard from the community, phasing the project with the possibility of expanding the project to accommodate future regional water supply needs

through public participation is important. This is a win-win for the region that provides an opportunity to help MPWSP be part of future water supply solutions for our customers and nearby communities.”

Due to historic water shortages caused by mandated reductions in the use of the Carmel River and made worse by historic drought conditions, a building moratorium has been in place on the Monterey Peninsula, resulting in job loss and limited housing for people in the region.

About California American Water: California American Water, a subsidiary of American Water (NYSE: AWK), provides high-quality and reliable water and wastewater services to more than 725,000 people. Information regarding California American Water’s service areas can be found on the company’s website www.californiaamwater.com.

About American Water: With a history dating back to 1886, American Water is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company. The company employs more than 6,400 dedicated professionals who provide regulated and regulated-like drinking water and wastewater services to more than 14 million people in 24 states. American Water provides safe, clean, affordable, and reliable water services to our customers to help keep their lives flowing. For more information, visit amwater.com and diversityataw.com. Follow American Water on [Twitter](#), [Facebook](#), and [LinkedIn](#).



VIA EMAIL

October 7, 2022

Mr. Paul Bruno, Chair
Seaside Groundwater Basin Watermaster
PO Box 51502
Pacific Grove, CA 93950

RE: August 5, 2022 Draft Technical Memorandum – Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions

Dear Mr. Bruno:

At the October 5th Watermaster meeting, in addressing our District's letter, Christopher Cook of Cal-Am made a mis-statement to the board. In effect, Mr. Cook stated that the assumptions being used in the August 5, 2022 Montgomery technical memorandum were based on production of water to meet system demand, such that losses and fire flows are captured in the total and hence do not affect the total demand numbers. That is false.

Figure 13 on page 27 of the technical memorandum contains demand numbers identical to the Cal-Am Urban Water Management Plan (UWMP), which is a build-up model that adds a series of demands to get to a total demand and does, in fact, include the phantom 400 AFY in the demand number, which is in error.

It was not until the Phase 2 direct testimony of Ian C. Crooks presented to the California Public Utilities Commission that the concept of forecasting future production was introduced. That is not what was sent to Montgomery & Associates and was not used in the technical memorandum, which remains in error.

The technical memorandum conclusions remain in error and the analysis should be re-run without errors in the assumptions.

Sincerely,

A handwritten signature in blue ink that reads "David J. Stoldt".

David J. Stoldt
General Manager
Monterey Peninsula Water Management District