



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

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

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

Roll Call

Committee Members Present:

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

MPWMD Staff members present:

David J. Stoldt, General Manager / Chair to the Panel
Suresh Prasad, Administrative Services Manager/CFO

Joel G. Pablo, Board Clerk

District Counsel Present:

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

Committee Members Absent:

Mike Rachel and Kevan Urquhart

Comments from the Public:

No comments were directed to the Committee.

Action Items

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

Chair Stoldt introduced the matter.

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

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

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

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

Committee Consensus

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

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

Discussion Items

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

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

A. Exhibit 3-A: Water Supply Charge Receipts

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

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

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

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

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

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

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

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

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

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

5. Draft District Budget for FY2022-23

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

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

Other Items

6. Water Supply Project Update

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

A. Pure Water Monterey – Expansion

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

B. Pure Water Monterey – Base

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

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

7. Suggest Items to be Placed on a Future Agenda

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

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

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

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

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

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

/ s/ Joel G. Pablo

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

Approved by the MPWMD Ordinance No. 152 Citizen’s Oversight Panel on October 19, 2022
Received by the MPWMD Board of Director’s on November 14, 2022