

ITEM: PUBLIC HEARING

15. CONSIDER ADOPTION OF OCTOBER THROUGH DECEMBER 2017 QUARTERLY WATER SUPPLY STRATEGY AND BUDGET (NOTICE OF EXEMPTION, CEQA, ARTICLE 19, SECTION 15301 (CLASS 1)]

Meeting Date:	September 18, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Kevan Urquhart & Jonathan Lear	Cost Estimate:	N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: (Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)]

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

SUMMARY: The Board will accept public comment and take action on the October through December 2017 Quarterly Water Supply Strategy and Budget for California American Water's (Cal-Am) Main and Laguna Seca Subarea Water Distribution Systems (WDS). The proposed budgets, are included as **Exhibit 15-A and 15-B**, and show monthly production by source of supply that is required to meet projected customer demand in CalAm's Main and Laguna Seca Subarea systems (i.e., Ryan Ranch, Bishop, and Hidden Hills) during the October through December 2017 period. The proposed strategy and budgets are designed to maximize the long-term production potential and protect the environmental quality of the Seaside Groundwater and Carmel River Basins.

RECOMMENDATION: The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff will recommend adoption of the proposed budget. The budgets are described in greater detail in **Exhibit 15-C**, Quarterly Water Supply Strategy Report: October - December 2017

BACKGROUND: The Quarterly Water Supply Strategy and Budget pertains to production within Cal-Am's Main and Laguna Seca Subarea systems for the three-month period of October, November, and December 2017. The legal allocations for Water Year 2018 in Cal-Am's Main Sub Area WDS, specifically the Seaside Coastal Basin, have been reduced to 1,820 AF, and the Laguna Seca Subarea WDS to 0 AF by the triennial reductions in the Seaside Basin Adjudication. Staff from the District and Cal-Am met to cooperatively review, refine and approve this strategy on September 12, 2017. Staff from the California Department of Fish and Wildlife (CDFW), and National Marine Fisheries Service (NMFS) attended.

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

EXHIBITS

- 15-A** Quarterly Water Supply Strategy and Budget for CAW Main System: October - December 2017
- 15-B** Quarterly Water Supply Strategy and Budget for CAW Laguna Seca Subarea: October - December 2017
- 15-C** Quarterly Water Supply Strategy and Budget Report: October - December 2017