

FINAL MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
November 16, 2009

The meeting was called to order at 7:00 PM in the District Conference Room.

CALL TO ORDER/ROLL CALL

Directors Present:

Kristi Markey, Chair -- Division 3
Regina Doyle, Vice Chair -- Division 4
Alvin Edwards -- Division 1
Judi Lehman -- Division 2
Bob Brower -- Division 5
David Pendergrass -- Mayoral Representative
David Potter -- Monterey County Board of Supervisors

Directors Absent: None

General Manager present: Darby Fuerst

District Counsel present: David C. Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No comments were directed to the Board during Oral Communications.

ORAL COMMUNICATIONS

On a motion by Director Pendergrass and second of Director Potter, the Consent Calendar was adopted except for item 4 that was pulled for separate consideration. The motion was approved on a vote of 7 - 0.

CONSENT CALENDAR

Adopted

Adopted

Adopted

Director Lehman offered a motion that was seconded by Director Edwards, to adopt the amended version of the Sick Leave Provisions of Influenza Pandemic Preparedness Policy that were submitted by staff at the meeting. The motion was adopted unanimously on a vote of 7 - 0.

1. Consider Adoption of Minutes of the October 19, 2009 Regular Board Meeting
2. Consider Adoption of Resolution Expressing Appreciation to Susan Rogers for Service on the Carmel River Advisory Committee
3. Consider Adoption of Resolution Expressing Appreciation to Richard H. Rosenthal for Service on the Carmel River Advisory Committee
4. Consider Approval of Sick Leave Provisions of Influenza Pandemic Preparedness Policy

Adopted

Adopted

Adopted

Andy Bell presented a certificate of appreciation to Susan Rogers that was signed by members of the Carmel River Advisory Committee. Mr. Rosenthal was not present to receive his certificate. Chair Markey presented a resolution of appreciation to Susan Rogers that was signed by the Board of Directors. Mr. Rosenthal was not present to receive his resolution. Ms. Rogers thanked the Board and Committee for the recognition. She encouraged members of the public to attend the Committee meetings as a way to learn about the Carmel River and the District's activities.

General Manager Fuerst announced that the following staff members were recognized for longevity, but were unable to attend the meeting: Tom Lindberg, Associate Hydrologist, 25 years of service; and Michael Boles, Conservation Representative 1, 5 years of service.

Mr. Anthony reported that water use for the twelve hotels in the main California American Water system with the highest water consumption has dropped by 18 percent since September 30, 2008. Installation of a transmission pipeline through Del Rey Oaks to facilitate full implementation of the Phase 1 Aquifer Storage and Recovery Project should be completed by December 6, 2009. Mr. Anthony advised that at the December 14, 2009 Board meeting, he will present a report on actions taken by California American Water (Cal-Am) to reduce unaccounted for water losses.

Henrietta Stern, Project Manager, presented the report. An outline of Ms. Stern's presentation is on file at the District office and can be viewed at the District's website.

5. **Consider Expenditure of Budgeted Funds to Amend Contract with Pueblo Water Resources for FY 2009-10 Aquifer Storage and Recovery Project Technical Assistance**
6. **Consider Expenditure of Funds for Amendment to Database Programming Contract to Accommodate Changes for Ordinance No. 140 & 141 Implementation, Functionality Improvements, and Database Support and Maintenance**
7. **Consider Expenditure of Budgeted Funds for Landscape Irrigation Audits/Budgets (Rule 172) and Authorize the General Manager to Amend Contract with Spot Water Management for Auditing Services**

PRESENTATIONS

8. **Present Resolutions of Appreciation to Susan Rogers and Richard H. Rosenthal for Service on the Carmel River Advisory Committee**
9. **Recognize MPWMD Employees for Length of Service to the District**
10. **Monthly Report from California American Water General Manager, Craig Anthony**
11. **Water Supply Project Alternatives Update**

Stephanie Pintar, Water Demand Manager, presented the report. An outline of Ms. Pintar's presentation is on file at the District office and can be viewed at the District's website.

General Manager Fuerst reported that the Monterey County Board of Supervisors appointed Alvin Edwards to serve another term as representative to Division 1, as Mr. Edwards had filed unopposed for candidacy. Judi Lehman was elected to serve another term as representative to Division 2.

Darby Fuerst, General Manager, presented the report. An outline of the presentation is on file at the District office and can be viewed at the District's website. Mr. Fuerst reported that for the period of October 1, 2008 through November 9, 2009, Cal-Am production from the Carmel River Basin was 65 acre-feet under the production target of 1,085 acre-feet established as a result of State Water Resources Control Board (SWRCB) Order 95-10. Production from the Coastal Subareas of the Seaside Basin was 197 acre-feet under the production target of 540 acre-feet established by the Seaside Groundwater Basin Adjudication. Production from the Laguna Seca Subarea was 21 acre-feet over the production target of 32 acre-feet established by the Seaside Groundwater Basin Adjudication. Therefore, total Cal-Am production from the Seaside Basin was 176 AF under the adjudication target of 572 AF.

Mr. Fuerst reported that for the Water Year ending September 30, 2009, water production in the Hidden Hills Water Distribution System was 210 acre-feet, which was below the annual limit of 229 acre-feet. Due to conservation measures taken by residents in the Hidden Hills area, and improvements to the system made by Cal-Am, water production was below the previous year level of 227 acre-feet. If water production is maintained below 0.482 acre-feet per connection, the water permit moratorium in Hidden Hills could be lifted.

District Counsel Laredo reported that at the October 19, 2009 Closed Session of the Board, staff was directed to file a challenge to State Water Resources Control Board Order WR 2009-0060, specifically to file a petition for writ of mandate and declaratory relief within 24 hours of issuance of the Final Cease and Desist Order. The vote was 4 in favor (Edwards, Lehman, Brower and Pendergrass) and 1 opposed (Markey), with two Directors absent (Doyle and Potter). At the November 16, 2009 Closed Session, the Board discussed matters listed on the agenda and provided direction to staff, with no reportable action taken on items A, B, C, E, G, H, I and 4. In the matter of items D and F, the Board directed Counsel to oppose Cal-Am's request for

12. Water Conservation Program Report

GENERAL MANAGER'S REPORT

13. Report on Outcome of November 3, 2009 Election

14. Status Report on California American Water Compliance with State Water Resources Control Board Order 95-10 and Seaside Groundwater Basin Adjudication Decision

15. Status Report on Hidden Hills Water Distribution System

ATTORNEY'S REPORT

16. Report on 5:30 PM Closed Session of the Board

a moratorium. The motion was adopted on a vote of 6 – 1. Directors Brower, Doyle, Edwards, Lehman, Pendergrass and Potter voted in favor of the motion. Director Markey was opposed.

3. Conference with Legal Counsel – Existing Litigation (Gov. Code 54945.9 (a))

- A. Application of California American Water Company to the Public Utilities Commission Application No. 04-09-019 – Coastal Water Project
- B. Application of California American Water Company to PUC Application No. 09-XX-XXX –Mitigation Cost Reimbursement
- C. Seaside v. California American Water (MBSE/Cal-Am Motion) (Appellate Court #HO34335; Superior Court Case No. M 66343)
- D. MPWMD v. State Water Resources Control Board; Superior Court Case No. M102101
- E. California American Water v. State Water Resources Control Board, Superior Court Case No. M102097
- F. California American Water Advice Letter No. 809 (Request for Moratorium) Before the California Public Utilities Commission
- G. Sierra Club, Carmel River Steelhead Association v. California American Water, Gary Locke, Department Of Commerce, Dr. Jane Lubchenko (NOAA), and Rodney McInnis (NMFS), (U.S. District Court, Northern District. Case No. 09 2870)
- H. California American Water v. MPWMD (SWRCB/SNG) (Superior Court Case No. M 99622)
- I. California American Water v. MPWMD (Ryan Ranch) (Superior Court Case No. M 101255)

4. Conference with Labor Negotiators (Gov. Code 54957.6)

Agency Designated Representatives:
Rick Dickhaut, Cynthia Schmidlin and
Darby Fuerst
Employee Organization: General
Staff and Management Bargaining
Unites Represented by United Public
Employees of California/LIUNA,
Local 792

5. Adjourn to 7 PM Session

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

17. Oral Report on Activities of
County, Cities, Other
Agencies/Committees/ Associations

Director Edwards thanked Susan Rogers for her service to the Carmel River Advisory Committee. He announced that he is searching for another appointee to the Committee. Director Lehman announced that she had viewed the movie, Blue Gold. She encouraged members of the public to see the film. She suggested that the District organize a public viewing of the film, possibly in cooperation with another special district or jurisdiction.

Director Pendergrass made a motion to adopt Ordinance No. 140. The motion was seconded by Director Potter and adopted on a unanimous vote of 7 – 0.

The following comments were received during the public hearing on this item. (1) Heidi Niggemeyer, Regional Program Manager for the Monterey Regional Water Pollution Control Agency Stormwater Program, expressed concern about the environmental damage caused by installation of impervious surfaces such as synthetic turf. She warned that stormwater quality regulations may be modified to prohibit the installation of impervious surfaces. She noted that an expert in the field, Eric Bernston, may be contacting the District regarding this issue. She recommended that the District should provide rebates for installation of natural landscapes, instead of synthetic turf. (2) George Riley stated that the cost of the program would be approximately \$1,300 per acre foot, based on a savings of 230 acre-feet of water.

Director Doyle offered a motion that was seconded by Director Brower, to adopt Ordinance No. 141. The motion was approved unanimously on a vote of 7 – 0.

No comments were directed to the Board during the public hearing on this item.

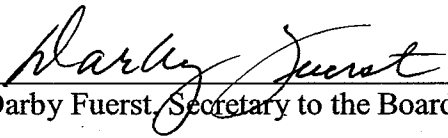
PUBLIC HEARINGS

18. Consider Second Reading and Adoption of Ordinance No. 140 Amending the Rebate Program Amounts, Deleting 1.6 Gallon Per Flush Toilets from the Rebate Program, and Adding Rebates for Lawn Removal, Synthetic Turf Installation, and Other Commercial/Industrial/Institutional Retrofits

19. Consider Second Reading and Adoption of Ordinance No. 141 Amending and Revising Regulation XIV -- Water Conservation--To Update and Clarify Language and Add Non-Residential and Landscape Water Efficiency Requirements

The meeting was adjourned at 9:10 PM.

ADJOURN



Darby Fuerst, Secretary to the Board