

FINAL MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
March 21, 2011

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

CALL TO ORDER/ROLL CALL

Directors Present:

Robert S. Brower, Sr., Chair -- Division 5
Dave Potter, Vice Chair – Monterey County Board of Supervisors
Vacant – Division 1
Judi Lehman – Division 2
Kristi Markey – Division 3
Regina Doyle – Division 4
David Pendergrass – Mayoral Representative

Directors Absent: None

General Manager present: Darby Fuerst

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No comments.

ORAL COMMUNICATIONS

On a motion by Director Potter and second of Director Lehman, the Consent Calendar was adopted with the exception of items 4 and 5 that were deferred to a future meeting of the Board. The motion was adopted on a vote of 7 – 0.

CONSENT CALENDAR

Approved

1. **Consider Adoption of Minutes of the February 27, 2011 Regular Board Meeting**

Approved

2. **Authorize Expenditure of Reimbursable Funds (exempt from Board spending freeze) to Contract with Fort Ord Reuse Authority for Work at the Water Project 1 Site**

Approved

3. **Authorize Expenditure of Budgeted, Reimbursable Funds (exempt from Board spending freeze) to Contract with Ecology Action to Conduct Two Laundry to Landscaping Greywater Training Sessions**

Deferred to a future meeting of the Board.

4. **Consider Expenditure of Budgeted Funds to Print and Mail a Postcard throughout the District**

Deferred to a future meeting of the Board.

Approved

Approved

Approved

Approved

Approved

Approved

A summary of Mr. Anthony's report is on file at the District office and can be viewed on the District's website. Mr. Anthony stated that combined Tier 4 and 5 residential water use reported in February 2011 was 6 acre-feet greater than for the same period in 2010. A leak was discovered in the Cal-Am system that represented approximately 46 acre-feet in one year. The leak has been repaired.

No report.

Henrietta Stern, Project Manager, presented the report. A summary is on file at the District office and can be viewed on the District's website.

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 ending February 28, 2011, Cal-Am production from the Carmel River Basin was 97 acre-feet under the production target of 3,197 acre-feet established as a result of State Water Resources Control Board (SWRCB) Order 2009-0060. Production from the Coastal Subareas of the Seaside Basin was 258 acre-feet under the target of 270 acre-feet. Production from the Laguna Seca Subarea was 54 acre-feet over the production target of 75 acre-feet established by the Seaside Groundwater Basin Adjudication. Production from the

5. **Consider Approval of Response Letter to 2010 Monterey County Grand Jury Report**
6. **Defer Public Hearing on Draft 2010 MPWMD Annual Report to April 18, 2011**
7. **Consider Authorization to Donate Vehicle to Boys and Girls Club of Monterey County**
8. **Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project**
9. **Consider Approval of Second Quarter FY 2010-11 Investment Report**
10. **Consider Adoption of Treasurer's Report for November 2010**
11. **Consider Adoption of Treasurer's Report for December 2010**

PRESENTATIONS

12. **Monthly Report from California American Water General Manager, Craig Anthony**
13. **Water Conservation Program Report**
14. **Update on Development of Water Supply Project Alternatives Including Recycled Water**

GENERAL MANAGER'S REPORT

15. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**

City of Sand City Desalination plant was 105 acre-feet. Total Cal-Am production from the Monterey Peninsula Water Resources System was 4,457 acre-feet, which is 321 acre-feet below the target of 4,778 acre-feet.

District Counsel Laredo stated that the Board discussed all three items listed on the agenda. No reportable action was taken.

Director Brower reported that he attended the Association of California Water Agencies' Conference in Washington, D.C. While there, he met with members of the House of Representatives. The main topics of discussion during the conference were funding and earmarks. He stated that last year only one third of 1 percent of the federal budget was set aside for earmarks. In the upcoming year, no earmarks will be included.

On a motion by Director Pendergrass and second of Director Potter, the first reading version of Ordinance No. 148 was adopted on a vote of 5 – 1. Directors Brower, Doyle, Lehman, Pendergrass and Potter voted in favor of the motion. Director Markey was opposed. No comments were received during the public hearing on this item.

On a motion by Director Potter and second of Director Doyle, Resolution No. 2011-07 was adopted unanimously on a vote of 6 – 0. Directors Brower, Doyle, Lehman, Markey, Pendergrass and Potter voted in favor of the motion.

Brenda Lewis addressed the Board during the public hearing on this item. She asked when suspension of the lawn removal rebate program would take effect.

ATTORNEY'S REPORT

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

3. **Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))**
 - A. Application of California American Water Company to CPUC Application No.10-01-012 –Mitigation Cost Reimbursement
 - B. MPWMD v. State Water Resources Control Board; Superior Court Case No. 1-10-CV-163328
 - C. Sierra Club v. MPWMD, Security National Guaranty & California American Water, Real Parties (Superior Court Case No. M 108149)

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

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

PUBLIC HEARINGS

- 18.A **Consider First Reading of Ordinance No. 148 -- Amending the Rebate Program -- Adopting Guidelines for Lawn Removal**

- 18.B **Consider Adoption of Resolution 2011-07, Suspending Receipt of Lawn Removal Rebate Applications**

On a motion by Director Potter and second of Director Markey, the June 2011 Quarterly Water Supply Strategy and Budget was adopted unanimously on a vote of 6 – 0. Directors Brower, Doyle, Lehman, Markey, Pendergrass and Potter voted in favor of the motion. No comments from the public were directed to the Board.

On a motion by Director Markey and second of Director Lehman, the Mid-Year FY 2010 – 2011 Budget adjustment was approved by the Board of Directors on a unanimous vote of 6 – 0. No comments from the public were directed to the Board.

There was no discussion of the Informational Items/Staff Reports.

The meeting was adjourned at 8:20 pm.

ACTION ITEMS

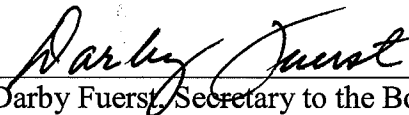
19. **Consider Adoption of April through June 2011 Quarterly Water Supply Strategy and Budget**

20. **Consider Adoption of Mid-Year FY 2010-2011 Budget Adjustment**

INFORMATIONAL ITEMS/STAFF REPORTS

21. **Letters Received**
22. **Committee Reports**
23. **Carmel River Fishery Report for February 2011**
24. **Water Conservation Program Report for February 2011**
25. **Monthly Allocation Report**
26. **Monthly California American Water Production Report**
27. **Monthly Water Supply Status Report**

ADJOURN



Darby Fuerst, Secretary to the Board