

EXHIBIT 16-A

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March 2, 2004

Fran Farina, General Manager  
Monterey Peninsula Water Management District  
P. O. Box 85  
Monterey, CA 93942

Re: Modification of Board Member Compensation

Dear Fran:

You have asked for my review of governing law pertaining to compensation for Water Management District Board Members, and the process by which such compensation can be modified.

The process governing Water Management District Board Member compensation is now set by Water Code section 202 et seq. These provisions of the Water Code previously had limited effect, and applied only to public irrigation districts. In 1988, however, this part of the Water Code was made explicitly applicable to water management districts, and supersedes prior law on this topic.

Water Section § 20201 allows your governing board to set Director compensation at one hundred dollars (\$100) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the board by request of the Board. Such a request would include Board Member attendance at committee meetings, or attendance at other meetings at the direction of the Board or Board Chair. Director compensation is limited, however, and cannot exceed a total of ten (10) days in any calendar month.

An ordinance needs to be adopted by the Water Management District pursuant to the Water Code to invoke these compensation provisions for board members. Notice of the public hearing on the ordinance must be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code<sup>1</sup>. Water Code § 20204 then provides that the compensation ordinance shall become effective 60 days from the date of its final passage.

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<sup>1</sup> Government Code § 6066 provides: "Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day."

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Further increases in Board Member compensation (above the one hundred dollars (\$100) per day limit) are also allowed. The Water Code provides that any increase in excess of one hundred dollars (\$100) per day must also be approved by ordinance, but such increase cannot exceed five percent (5%) for each calendar year that follows the operative date of the last adjustment ordinance.

Based on these provisions of the Water Code, it is clear that your Board is authorized to set Director compensation at one hundred dollars (\$100) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board, provided the total compensation does not exceed ten (10) days in any calendar month.

Sincerely,

De LAY & LAREDO

David C. Laredo

DCL:cl

Attachments: Water Code §§ 20200 - 20204

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**Water Code § 20200.**

As used in this chapter, "water district" means any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, management, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes. "Water districts" include, but are not limited to, irrigation districts, county water districts, California water districts, water storage districts, reclamation districts, county waterworks districts, drainage districts, water replenishment districts, levee districts, municipal water districts, water conservation districts, community services districts, water management districts, flood control districts, flood control and floodwater conservation districts, flood control and water conservation districts, water management agencies, and water agencies.

**Water Code § 20201.**

Notwithstanding any other provision of law, the governing board of any water district may, by ordinance adopted pursuant to this chapter, provide compensation to members of the governing board, unless any compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, and may, by ordinance adopted pursuant to this chapter, in accordance with Section 20202, increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

**Water Code § 20202.**

In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100) per day, the increase may not exceed an amount equal to five percent (5%), for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.

**Water Code § 20203.**

Any water district described in Section 20201 is authorized to adopt ordinances pursuant to this chapter. No ordinance shall be adopted pursuant to this chapter except following a public hearing. Notice of the hearing shall be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code.

**Water Code § 20204.**

An ordinance adopted pursuant to this chapter shall become effective 60 days from the date of its final passage. The voters of any water district shall have the right, as provided in this chapter, to petition for referendum on any ordinance adopted pursuant to this chapter.