

## EXHIBIT 21-D

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accepted. The new employee will begin work on September 15, 2003. (5) **Temporary HDD Testing** -- The District has received its permit from the City of Sand City. (6) **State Parks Department** -- The District is expecting to receive its permit soon. (7) **Water Demand Committee** -- the meeting packets will be distributed on Tuesday, July 22, 2003. (8) **California-American Water Company (Cal-Am)** -- Steve Leonard, General Manager, provided an update to the Board on the San Clemente Dam retrofit project and the Ryan Ranch Water Distribution System wells that evening.

District Counsel Laredo reported on the Closed Session of June 16, 2003. District Counsel provided status reports but no action was taken by the Board. The Board also conferred with Counsel on one item of anticipated litigation but no action was taken.

Director Erickson stated that it is important for the District to have a system of tracking incoming letters and responses and would like to see such a system in place. She also requested that Acting General Manager Farina send a letter of response to Lou Haddad explaining the pre-tax employee savings plan that reimburses employees for medical and childcare expenses.

Director Potter asked that the Board discuss at the August meeting formulation of a policy statement stipulating that items pulled from the Consent Agenda be heard immediately following approval of the Consent Agenda so that the public is not forced to wait through the balance of the items that are on the agenda.

Director Potter proposed a motion to adopt the staff recommendation to approve Application #20021031CAN to amend the Cañada Woods Water Distribution System, and approve the associated Finding and Conditions. Director Edwards seconded the motion.

Director Henson proposed an amendment to the motion, to change the last sentence of Condition 19 on page 152 to read, "If this condition is not met, the Permit shall be subject to revocation." Director Potter seconded the motion.

Director Erickson proposed an amendment to Director Henson's motion that Condition No. 6 on Page 150 be amended to indicate that the two-way dual metering system is to be operational before the permit is valid. Director Potter seconded the motion.

The motion was adopted on a vote of 5 – 2. Directors Edwards, Pendergrass, Lehman, Henson and Potter voted in favor the motion. Directors Erickson and Lindstrom voted in opposition to the motion.

### GENERAL MANAGER'S REPORT

### ATTORNEY'S REPORT

#### 15. Report on Closed Session of June 16, 2003

### DIRECTORS' REPORTS

#### 16. Board Comments and Referrals

### PUBLIC HEARINGS

#### 17. Consider Application to Amend Cañada Woods Water Distribution System Permit

**PUBLIC HEARINGS**

The following comments were directed to the Board during the public hearing on this item. (1) **Robert Greenwood**, Carmel Valley Association, urged the Board to delay approval of the proposed permit until the applicant provides adequate engineering and logistical information about the two-way dual metering system. (2) **David Dilworth**, HOPE, stated the inadequacies in the report require that the projects should be combined and be put on hold to allow for updated CEQA review and that no free water be given to the applicant. (3) **Bill Woodworth**, asked why no consideration has been given to development of a dam on the Arroyo Seco river.

17. **Consider Application to Amend Cañada Woods Water Distribution System Permit**

The meeting was recessed at 9:10 PM and reconvened at 9:25 PM

Director Erickson offered a motion to approve staff's recommendation and find that special circumstances exist for CHOMP, and substantial uncertainty exists regarding the projected water use proposed by CHOMP. In addition, the Board shall find that the effort to save water on-site should work cooperatively with efforts to conserve water within the District as a whole. The Board shall also adopt the Conditions of Approval and the amendments to Condition 1 and 4 that District staff presented to the Board at the July 21, 2003 Public Hearing (on file at the District office). Director Erickson also proposed amendments to Condition No. 7-A and No. 9. Condition 7-A shall read, "Within 21 days of a March Special Circumstances Review Form that notes actual water use in excess of 119.28 acre-feet, CHOMP shall submit to the District a plan to maintain water use within the hospital water use limit. Condition 9 language shall be deleted with the following language substituted: "CHOMP shall make its best efforts to initiate water saving efforts that avoid, or keep to a negligible level, cross-media environmental impacts (e.g. going from silver to plastic-ware for food service)". Director Lindstrom seconded the motion.

18. **Consider Request of Special Circumstances, Rule 24-G, for CHOMP (Community Hospital of the Monterey Peninsula)**

The motion was adopted unanimously on a vote of 7-0.

The following comments were directed to the Board during the public hearing on this item. (1) **David Dilworth** stated the Board needs to look at the totality of the impacts of water use related to the hospital and asked the Board to consider whether off-site transfers would be possible in this situation. (2) **Tex Irwin** suggested the District use records from the hospital to monitor its future water use but not for determining use now. He also stated that water for the project should come from the community benefit allocation. (3) **Marc Beique** urged the Board to consider the hospital's request to delete Condition 9. He stated the hospital protects the public health and that it should be encouraged and assisted.