



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
April 15, 2013**

The meeting was called to order at 7:00 p.m. in the District's conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

David Pendergrass –Chair, Mayoral Representative
Brenda Lewis – Vice Chair, Division 1
Kristi Markey – Division 3
Jeanne Byrne – Division 4
Robert S. Brower, Sr., -- Division 5
David Potter – Monterey County Board of Supervisors Representative

Directors Absent: Judi Lehman – Division 2

General Manager present: David J. Stoldt

District Counsel present: David 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 Byrne and second of Potter, the minutes were adopted with a correction to the minutes of April 1, 2013: page 2, the last bullet point under item 8, replace with words San Clemente Dam with the words Los Padres Dam. The motion was approved unanimously on a vote of 6 – 0. Directors Byrne, Potter, Brower, Lewis, Markey and Pendergrass voted in favor of the motion. Director Lehman was absent.

CONSENT CALENDAR

Approved staff recommendation to authorize the General Manager to make minor or non-substantive modifications to the MOU.

1. Consider Adoption of Minutes of the March 18, 2013 Regular Board Meeting and April 1, 2013 Special Meeting/Board Strategic Planning Workshop
2. Consider Approval of a Revised Memorandum of Understanding for Integrated Regional Water Management in the Monterey Peninsula, Carmel Bay and South Monterey Bay
3. Consider Authorization of Funds to Contract for Limited-Term Fish Rescue Crew Leader Positions

Approved up to 152 hours of work in May and June of 2013.

Approved.

Approved.

Approved.

Approved.

A summary of General Manager Stoldt's report is on file at the District office and can be viewed on the MPWMD website. He noted that Water Year 2013-14 can be categorized as "dry." Rainfall is at 74% of long-term average; unimpaired flow is 46% of long-term average; and useable storage is at 96% of long-term average.

Stoldt reported the following. **Groundwater Replenishment Project** – On April 16, 2013, the Water Supply Planning Committee will review proposed changes to the cost-sharing agreement with the Monterey Regional Water Pollution Control Agency (PCA). The District has been asked to increase its contribution, as PCA's reserves are not sufficient to cover project costs in the coming year. **Aquifer Storage and Recovery (ASR)** – A loan with Rabobank should close the week of April 22, 2013. Funds from the loan will reimburse \$2.5 million to MPWMD reserves that had been spent on ASR construction. The remainder of the loan proceeds could be allocated towards completion of the ASR project. **Desalination Project** -- Between April 2 and April 11, 2013, the District participated in hearings conducted by the California Public Utilities Commission (CPUC) re California American Water's (Cal-Am) Application 12-04-019 to construct and finance the Monterey Peninsula Water Supply Project.

Stoldt advised the Board that the committee is scheduled to meet on April 22, 2013.

District Counsel Laredo reported that he provided a status report on the agenda items, and no reportable action was taken. Laredo noted that the District participated in eight days of hearings before the CPUC related to item 3.A. All of the District's witnesses have testified and were cross examined. Regarding item 3.B, staff met with the State Water

4. Designate District Representatives to Conduct Labor Negotiations
5. Receive and File District-Wide Annual Water Distribution System Production Summary Report for Water Year 2012
6. Receive and File District-Wide Annual Water Production Summary Report for Water Year 2012
7. Consider Approval of Treasurer's Report for February 2013

GENERAL MANAGER'S REPORT

8. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**
9. **Update on Development of Water Supply Projects**

10. **Update on Action by Monterey Peninsula Water Supply Project Governance Committee**

ATTORNEY'S REPORT

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

Resources Control Board to discuss the Cease and Desist Order.

3. **Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))**
 - A. Application of California American Water to the CPUC (Application No. 12-04-019) Monterey Peninsula Water Supply Project
 - B. MPWMD v. SWRCB; Santa Clara Superior Court Case No. 1-10-CV-163328 – Cease & Desist Order
4. **Conference with Legal Counsel – Threatened Litigation (Gov. Code 54956.9 (b)) – One Case**

Director Lewis reported that she spoke to 50, fifth grade students at the Monterey International School in Seaside. She was impressed with their questions and knowledge of the local water situation, as they had previously visited San Clemente Dam and the PCA wastewater treatment facility.

No Public Hearing items were presented for Board consideration.

On a motion by Markey and second of Brower, the Board voted unanimously to adopt the One-Year and Three-Year Strategic Goals as presented, and to amend the Vision and Mission statements as follows. Mission Statement – add the words “promote or” before the words “provide for.” Vision Statement – remove the words “and publicly respected” The motion was approved on a vote of 6 – 0. Directors Markey, Brower, Byrne, Lewis, Pendergrass and Potter voted in favor of the motion. Director Lehman was absent.

Roger Dolan, representing the Carmel Valley Association, addressed the Board during the public comment period on this item. He submitted a letter dated April 15, 2013 that is on file at the District office and can be viewed on the MPWMD website. He requested that the Mission Statement include the words “safe and reliable” to describe a long-term sustainable water supply. He also suggested that the District cease use of the fixture unit methodology to determine water use capacity.

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

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

12. **Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**

PUBLIC HEARINGS

ACTION ITEMS

13. **Adopt Revised Mission Statement, Revised Vision Statement, and Strategic Planning Goals**

INFORMATIONAL ITEMS/STAFF REPORTS

14. **Letters Received**
15. **Committee Reports**

- 16. Carmel River Fishery Report**
- 17. Water Conservation Program Report**
- 18. Monthly Allocation Report**
- 19. Monthly Water Supply and California American Water Production Report**
- 20. Quarterly Carmel River Riparian Corridor Management Program Report**
- 21. Quarterly Water Use Credit Transfer Status Report**

The meeting was adjourned at 7:20 pm.

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary