



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
November 18, 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
Judi Lehman – Division 2
Kristi Markey – Division 3
Jeanne Byrne – Division 4
Robert S. Brower, Sr., -- Division 5
David Potter – Monterey County Board of Supervisors Representative

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Bill Thayer, Director Elect to MPWMD Division 2, addressed the Board on Consent Calendar item 10. He questioned the need for radio and television advertisements and recommended communicating with the public through direct mail.

ORAL COMMUNICATIONS

On a motion of Director Lehman and second by Director Potter, the Consent Calendar was approved unanimously on a vote of 7 – 0 by Directors Markey, Lehman, Brower, Byrne, Lewis, Pendergrass and Potter.

CONSENT CALENDAR

Approved.

1. Approve Minutes of October 21, 2013 Regular Board Meeting

Approved \$12,000 expenditure – share of cost, payment to Monterey Peninsula Regional Water Authority.

2. Authorize Expenditure of Funds for California American Water Design Build Procurement Process

Approved \$60,000 expenditure to contract with Raymond James Associates.

3. Consider Expenditure of Funds to Contract with Underwriter for Monterey Peninsula Water Supply Project

Approved \$8,680 expenditure.

Approved \$8,280 expenditure.

Adopted Resolution No. 2013-29.

Approved.

Approved.

Approved \$11,000 expenditure.

Approved.

Adopted Resolution No. 2013-30.

Chair Pendergrass thanked Director Lehman for her service to the Board and presented her with a resolution of appreciation and an engraved picture frame. Director Lehman thanked the Board and said that she was honored to have served with them. Directors Potter and Brower thanked Lehman for her professionalism. Director Markey expressed appreciation for Lehman's dedicated service. Director Byrne thanked Lehman for the time she has given to her work on the Board. Director Lewis thanked Lehman for her help and encouragement.

A summary of General Manager Stoldt's presentation is on file at the District office and can be viewed on the MPWMD website. He noted that on December 1, 2013, Carmel River diversions for Aquifer Storage and Recovery can begin if river flows are sufficient. Staff has coordinated with California American Water to ensure the distribution system infrastructure is ready for the injection season.

4. Authorize Expenditure for Final Wellhead Completion Work at Phase 1 Aquifer Storage and Recovery Facility
5. Authorize Expenditure for Final Wellhead Completion Work at Phase 2 Aquifer Storage and Recovery Facility
6. Consider Adoption of Resolution No. 2013-29 to Amend the Scope of the General Manager's Delegated Authority to Approve Expenditures, and Establish the Process by which Emergency Funds are Authorized
7. Consider Approval of Amendment to General Manager's Contract
8. Receive Alternative Measurement Method Report for Determining Annual Costs for Post-Employment Medical Benefits
9. Consider Expenditure of Funds for Non-Residential Community Outreach
10. Consider Approval of Fourth Quarter Fiscal Year 2012-2013 Investment Report
11. Consider Adoption of Resolution No. 2013-30 – Expressing Appreciation to Judi Lehman for 12 Years of Service as Division 2 Director

**PRESENTATION TO JUDI LEHMAN,
OUTGOING DIRECTOR, DIVISION 2**

GENERAL MANAGER'S REPORT

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

Stoldt reviewed the item 13 staff report. He also reported that the Association of California Water Agencies had developed a State Wide Water Action Plan, and asked that member agencies adopt a resolution of support. A summary of the plan was distributed at the meeting and is available for review at the District office and on the MPWMD website. At the request of Director Byrne, copies of the summary will be provided to the Ordinance 152 Oversight Panel.

Suresh Prasad, Administrative Services Division Manager, updated the Board on implementation of the Tyler Incode accounting software. A summary of the presentation is on file at the District office and can be viewed on the MPWMD website.

District Counsel Laredo reported that he updated the Board on all seven items listed on the agenda. The Board provided direction to staff and counsel, no reportable action was taken. Counsel Laredo thanked Director Lehman for her participation on the Board, and noted that she was always prepared for meetings and asked good questions.

Director Lehman reported that she attended the October 22, 2013, meeting of the Del Rey Oaks City Council to hear David Stoldt's presentation on water supply project planning. She expressed thanks to the Water Management District staff for all the help and support they provided to her during her time on the Board.

13. Update on Development of Water Supply Projects

14. Progress on Implementation of Tyler Incode Software

ATTORNEY'S REPORT

15. 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 Cal-Am to the CPUC (No. 12-04-019) – Monterey Peninsula Water Supply Project
- B. Application of California American Water to the CPUC (App. No. 13-07-002) 2013 General Rate Case
- C. MPTA v. MPWMD; Monterey Superior Court No. M 123512
- D. Thum v. MPWMD; Monterey Case No. M113598; 6th District Appellate Case #H039566)
- E. MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO (6th District Appellate Case #H039566)
- F. MPWMD v. CPUC (Cal-Am); CA Supreme Court Case No. S208838
- G. Water Plus v. MPWMD, Case No. M125274

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

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

On a motion by Director Markey and second of Director Lehman, the Board adopted the finding in support of a Negative Declaration that was included in the staff report. The motion was adopted on a unanimous vote of 7 – 0 by Directors Markey, Lehman, Brower, Byrne, Lewis, Pendergrass and Potter.

On a motion by Byrne and second of Lewis, the Board adopted the second reading of Ordinance No. 156 on a unanimous roll-call vote by Directors Markey, Lehman, Brower, Byrne, Lewis, Pendergrass and Potter. No comments were directed to the Board during the public comment period on this item.

Director Byrne offered a motion that was seconded by Director Brower, to approve the first reading of Ordinance No. 157 with an amendment proposed by staff: include in Section Three a modification to the definition of USER by deleting the words “except that a User may extend incidental water use (e.g. a single Bar Sink) to another for convenience.” The motion was adopted unanimously on a roll-call vote by Directors Byrne, Brower, Lehman, Lewis, Markey, Pendergrass and Potter. No comments were directed to the Board during the public hearing on this item.

On a motion of Byrne and second by Brower, the first reading of Ordinance No. 158 was approved on a roll-call vote of 4 – 3. Directors Byrne, Brower, Pendergrass and Potter voted in favor of the motion. Directors Lehman, Markey and Lewis were opposed. No comments were directed to the Board during the public hearing on this item.

On a motion of Byrne and second by Potter, item 20 was continued without discussion to the December 9, 2013 Board meeting. The motion was approved on a vote of 6 – 1. Directors Byrne, Potter, Brower, Lehman, Lewis and Pendergrass voted in favor of the motion. Director Markey was absent for the vote.

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

PUBLIC HEARINGS

17. Consider Second Reading and Adoption of Ordinance No. 156 -- Clarifying and Amending Terms and Procedures Related to Water Permits, Water Use Credits, Rebates and Landscape Water Audits

18. Consider First Reading of Ordinance No. 157, An Ordinance Amending Rule 11 (Definitions), Revising Rule 23-A-1-I Regarding Water Measuring Device Requirements and Amending the Title of Rule 144

19. Consider First Reading of Ordinance No. 158, An Ordinance to Amend Rule 28-B to Establish the Jurisdiction as Lead Agency for Evaluation of a Water Use Credit Transfer and to Allow Approval of an Application by the General Manager

ACTION ITEMS

20. Consider Changes to MPWMD Rules and Regulations for Water Distribution System Permits

INFORMATIONAL ITEMS/STAFF REPORTS

- 21. Letters Received**
- 22. Committee Reports**
- 23. Carmel River Fishery Report**
- 24. Water Conservation Program Report**
- 25. Monthly Allocation Report**
- 26. Monthly Water Supply and California American Water Production Report**

**27. Semi-Annual Financial Report on the
CAWD/PBCSD Wastewater Reclamation
Project**

The meeting was adjourned at 8:20 pm.

ADJOURNMENT

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Arlene M. Tavani, Deputy District Secretary