



**EXHIBIT 1-A**

**DRAFT MINUTES  
Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
March 17, 2014**

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 Potter – Chair, Monterey County Board of Supervisors Representative  
Brenda Lewis – Division 1  
Bill Thayer – Vice Chair, Division 2  
Kristi Markey – Division 3  
Jeanne Byrne – Division 4  
Robert S. Brower, Sr., -- Division 5  
David Pendergrass – Mayoral Representative

*General Manager present:* David J. Stoldt

*District Counsel present:* David Laredo

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

The following comments were directed to the Board during Oral Communications. **(1) Tom Rowley**, Monterey Peninsula Taxpayers Association, stated the public would like to see more leadership from the Board about the budget and spending for the various projects the District is involved in. **(2) Ron Brown**, local architect, spoke about using atmospheric water generators for a 28-unit auto storage condo project in Seaside, CA on a vacant commercial property. He would like the MPWMD to approve this project.

**ORAL COMMUNICATIONS**

On a motion by Byrne and second of Brower, the Consent Calendar was approved unanimously on a vote of 7 -0.

**CONSENT CALENDAR**

Approved.

**1. Consider Denial of Claim of Thomas Moore and Refer to Counsel to Defend as Appropriate**

Approved.

**2. Consider Adoption of Resolution 2014-04 Amending Table 2 -- Non Residential Water Use Factors for Supermarkets**

Approved.

**3. Consider Expenditure for Irrigation**

**Controller Retrofit Equipment at  
Monterey Peninsula Unified School  
District Schools**

Approved.

4. **Consider Authorization of Reimbursement Agreement with Fort Ord Reuse Authority to Fund Assistance with Aquifer Storage and Recovery Site Expansion**

Approved.

5. **Consider Expenditure of Reimbursable Funds for Purchase and Placement of Spawning Gravels Below Los Padres Dam**

Approved.

6. **Consider Contract Amendment with Thomas Brand Consulting for Public Outreach Services**

Approved.

7. **Consider Contract with Thomas Brand Consulting for Public Outreach Services for Groundwater Replenishment Project**

Approved.

8. **Consider Adoption of Treasurer's Report for January 2014**

No report, as the topic was part of the discussion on agenda item 17.

**GENERAL MANAGER'S REPORT**

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

Stoldt stated the District has been in touch with EcoloBlue and has received specifications on the atmospheric water producers. This topic will be addressed at a future committee meeting.

10. **Update on Development of Water Supply Projects**

Stoldt noted Exhibit 10-A is information on the filing related to California American Water's proposed desalination plant resizing and discussion between the settling and non-settling parties. Stoldt reported the Legislative committee met on March 14, 2014 and updated the group on progress with respect to legislation for the public contribution water rate relief bonds to fund the desalination project. The bill is scheduled for its first hearing on April 2, 2014. Director Brower will attend the hearing.

With respect to the Groundwater Replenishment Project, Pure Water Monterey, the District continues to work collaboratively with Monterey Regional Water Pollution Control Agency (MRWPCA) staff developing terms for the source water agreements. Exhibit 10-B addresses where the source water is coming from. A draft Request for Proposals for an externalities study is being developed and is scheduled to be presented to the Monterey County Water Resources Agency (MCWRA) next week for review and input. At the March 13, 2014 meeting of the Monterey Peninsula Regional Water Authority

(MPRWA) (Exhibit 10-C) the Authority consented to a letter of support for the Salinas and Carmel River Basin study. This is a cooperative effort between the San Luis Obispo County Department of Public Works, MCWRA, MRWPCA, and the Water Management District.

Director Byrne reported that she, Director Brower and General Manager Stoldt attended the Association of California Water Agencies 2014 Washington DC conference. She noted that it was a successful trip and that she was impressed with the conference. The group had a successful meeting with Congressman Sam Farr who expressed support for Senators Feinstein and Boxer's bill for Federal funding; however, he would like the District to supply requirements for conservation programs to assist other agencies applying for funding. Director Brower reported it appears to be good political timing to address storage and recognize that opportunities are available. Director Potter reiterated that Congressman Farr is extremely proud of what the Water Management District is doing with regards to conservation. Stoldt stated that staff will develop talking points and work with the Congressman's staff on developing the requested information.

Director Byrne asked the Board if there was a need for the March 26, 2014 meeting. Stoldt reported the date had been scheduled to address rationing if needed. The meeting will be cancelled.

Director Byrne offered a motion to approve the variance and the findings of approval with the following amendments: a) delete the second sentence in item 1; b) simplify the language in item 2 so that it is better understood and readable, c) delete item 3; d) refer the issue of definitions back to the Water Demand committee. In addition, the appeal should be denied and the findings of denial approved. The motion was seconded by Markey and adopted on a unanimous vote by Directors Byrne, Markey, Brower, Thayer, Lewis, Pendergrass and Potter. No comments were directed to the Board during the public hearing on this item.

On a motion by Director Thayer and second of Director Lewis, the first reading of Ordinance No. 160 was adopted unanimously on a roll call vote by Directors Thayer, Lewis, Byrne, Markey, Brower, Potter, and Pendergrass. No comments were directed to the Board during the public hearing on this item.

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

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

#### **PUBLIC HEARINGS**

##### **12. Consider Request for Variance from District Rule 20, Permits Required, for a Change of Use From a Deli (Group II) Use to a Restaurant (Group III) Use – 484 Washington Street, Monterey (APN: 001-692-011)**

##### **13. Consider First Reading of Ordinance No. 160 – Comprehensive Changes to MPWMD Rules and Regulations for Water Distribution System Permits, Year 2014**

General Manger Stoldt and Director Byrne complimented staff for the work and time put into drafting this ordinance and for the coordination efforts with Monterey County.

On a motion by Director Markey and second of Director Pendergrass, the 2014 Quarterly Water Supply Strategy and Budget was adopted on a unanimous vote of 7-0 by Directors Markey, Pendergrass, Byrne, Brower, Potter, Thayer and Lewis.

Public Comment: **(1) Tom Rowley** stated this information is important to the public and suggested it be discussed on a monthly basis.

No report. This item will be presented at the April 21, 2014 Board meeting

Director Brower offered a motion to approve the Budget Adjustment for Joint Funding of Groundwater Replenishment Project and Incorporate into MPWMD Fiscal Year 2013-14 Budget with the understanding that the District be involved in all future source water discussions. The motion was seconded by Director Byrne and unanimously approved on a roll call vote by Directors Brower, Byrne, Markey, Potter, Thayer, Lewis and Pendergrass.

Dennis G. Allion, Board Chairman, Monterey Regional Water Pollution Control Agency, spoke in favor of the budget adjustment and stated the project is very close to wrapping up issues on source water. He noted there is a need to work together for ways to produce more treatment water and have large basin available.

Public Comment: **(1) Tom Rowley**, Monterey Peninsula Taxpayers Association, stated the agenda calls this a project but the citizens have not voted on it. He recommended the Board be more discriminating about funding sources.

At the direction of the Chair, the Board received the report and by consensus will defer any discussion until the May Board meeting.

Public comment: **(1) Tom Rowley**, thanked the District and CalAm for its outreach efforts with regards to outdoor watering and voluntary conservation.

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

**14. Consider Adoption of April through June 2014 Quarterly Water Supply Strategy and Budget**

**15. Consider Adoption of 2013 MPWMD Annual Report**

**16. Consider Approval of Budget Adjustment for Joint Funding of Groundwater Replenishment Project and Incorporate into MPWMD Fiscal Year 2013-14 Budget**

#### **ACTION ITEMS**

**17. Update on Rainfall and Streamflow and Possible Actions on Conservation and Rationing**

#### **INFORMATIONAL ITEMS/STAFF REPORTS**

**18. Letters Received**  
**19. Committee Reports**  
**20. Carmel River Fishery Report**

- 21. Water Conservation Program Report**
- 22. Monthly Allocation Report**
- 23. Monthly Water Supply and California American Water Production Report**

The meeting was adjourned at 9:22 pm.

**ADJOURNMENT**

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Arlene M. Tavani, Deputy District Secretary